

الإذاعة

Austria	Sch. 18	Inflation	Up 7.00	Portugal	Exc. 75
Belgium	Up 0.60	Italy	Up 1.00	C. Andhra	Rs. 5.00
Bulgaria	Up 3.30	Japan	Up 7.50	Singapore	S\$ 4.10
Canada	Up 2.00	Jordan	Up 3.00	Spain	Pes 1.00
Cyprus	Up 2.00	Kuwait	Up 5.00	Sri Lanka	Rup. 30
Denmark	Up 7.35	Liberia	Up 2.00	Sweden	Sk 6.50
Egypt	Up 2.10	Lebanon	Up 2.00	Tunisia	Up 2.00
Finland	Up 3.00	Morocco	Up 2.00	Uganda	Sfr 5.50
France	Up 2.00	Mexico	Up 2.00	Venezuela	Up 2.00
Greece	Up 6.00	Nicaragua	Up 2.00	Yemen	NY \$ 95
Hong Kong	HKS 12	Peru	Up 2.00	Zambia	Up 2.00
Ireland	No. 1.00	U.S.A.	Up 2.00	Zimbabwe	Up 2.00
Italy	Up 1.50	Philippines	Up 2.00	Total	Up 2.00

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,363

Thursday July 5 1984

D 8523 B

Brazil's trade surplus soars, Page 4

NEWS SUMMARY

GENERAL

Gloom grows in UK coal dispute

BUSINESS

UK tells Norway of new gas plan

Bonn to restrict state spending growth to 2.4%

BY RUPERT CORNWELL IN BONN

Herr Gerhard Stoltenberg, the West German Finance Minister, yesterday presented a lean 1985 draft budget, holding public expenditure growth to 2.4 per cent and incorporating a further substantial cut in the federal borrowing requirement.

The proposals, which were settled at a long Cabinet session on Tuesday, foresee total central government spending next year of DM 280.2bn (\$62.2bn). Measured against the originally budgeted outlay of DM 257.1bn for 1984, the increase is a mere 1.2 per cent, far below the present German inflation rate of slightly under 3 per cent.

In fact, however, the various Bonn ministries are now likely to disburse only DM 254bn this year – a further success in Herr Stoltenberg's long-term campaign of steadily lowering the proportion of national wealth that is spent by the Government.

The big novelty is the first appearance of state incentives for buying cars equipped to burn lead-free petrol, and thus protect the environment, above all West Germany's threatened forests.

From July 1 1985, such vehicles will be exempt from road tax here for between five and seven years, a concession in the case of cars with

engines of over 2.5-litre capacity worth some DM 2,600. The loss of revenue will be made up by increased tax for conventional cars.

The Cabinet left unresolved, however, the issue of whether purchases of low-emission cars should receive a straight subsidy from the Government, perhaps of DM 1,000.

That has been strongly pressed by Herr Friedrich Zimmermann, the Interior Minister, who has become a most visible standard-bearer of the environmentalist cause. But Herr Stoltenberg has so far fought the concession on budgetary grounds, and a decision will only be taken in the autumn.

The budget is based on the assumption of 2.5 per cent economic growth next year. Herr Stoltenberg admitted, however, that it would have little impact on unemployment, which stands at 2.1m or 8.5 per cent of the workforce.

The country's central union federation (DGB) last night bitterly attacked the proposals, calling them

"prison for the economy and employment," urging creation of a special five-year DM 50bn investment fund to create new jobs.

In fact, the Government next year is allocating DM 38.2bn to capital investment, an increase of 2.5 per cent on 1984. In addition, Herr Stoltenberg announced a special DM 1.6bn job programme.

He made clear his basic conviction, however, that only by putting the state's finances to rights could the competitiveness of German industry be improved, and with it the prospects of creating new jobs in the medium term.

The Government's financial strategy is built upon reducing the deficit to DM 24bn in financial 1985 from DM 29.5bn this year, and thereafter to DM 22.4bn in financial 1988.

Among traditionally big spending ministries, the largest increase in 1985 goes to defence, which will be

Continued on Page 24

Maxwell bids for British newspaper group

By Sue Cameron in London

BRITISH PUBLISHER Mr Robert Maxwell's Pergamon Press yesterday offered Reed International "not less than £80m" (\$107m) for Mirror Group Newspapers, which includes the tabloid Daily Mirror.

Pergamon undertook to maintain

the group's "political line editorial policies and practices."

The Daily Mirror is one of the few popular Fleet Street newspapers to support Labour Party policies.

Its 3.49m circulation is the second largest among British dailies.

Mr Maxwell said he was only "fairly confident of having his bid accepted."

He told a press conference last night that Pergamon's offer would be increased to a maximum of £100m "if justified by the financial and other information" on the group.

Reed, which is planning a public flotation of MGN later this month, is expected to reject the offer. Last night Reed issued a firm statement saying it continued to believe that "the interests of Mirror Group Newspapers and its employees are best served by becoming an independent company with a wide spread of shareholders."

Preparations for the listing of MGN on the London Stock Exchange were continuing.

British analysts' estimates of what the MGN flotation might raise have varied from £70m to £85m.

The group includes the Daily Mirror and Sunday Mirror, Sunday People and Sporting Life, all national newspapers, and the Daily Record and Sunday Mail in Scotland. It had a trading profit of £5.2m in 1983-84. MGN's site in Holborn, London, is said to be worth £10m and the group has a stake in Reuters which is valued at £45m.

Mr Maxwell has long had ambitions to own a national newspaper group and recently bought 10 per cent of Fleet Holdings, the Express Newspapers group. He said he would be looking for a 15 per cent return on his £100m investment if his bid were accepted.

Pergamon, which had a pre-tax profit of £3.5m last year, had cash and securities of £220m to support its offer to Reed, Mr Maxwell said.

Barry Riley, Financial Editor, writes: Mr Maxwell is launching his bid for Mirror Group on the basis of a huge personal fortune which has been built up in two main stages over the past 10 years.

In 1974, Mr Maxwell bought back

Continued on Page 24

Lex, Page 24

Paris explores foreign stakes in Framatome

By DAVID HOUSEGO AND DAVID MARSH IN PARIS

THE FRENCH Government is exploring the possibility of offering foreign shareholders to take a minority stake in Framatome, the French nuclear reactor company which is at present 50 per cent owned by Creusot-Loire, the bankrupt heavy engineering group.

Such a plan would be highly controversial, diluting French control of one of France's leading high technology companies. It would, however, represent a way of providing additional cash for restructuring Creusot-Loire and of attracting potential foreign business for France's nuclear power industry, currently suffering from a shortage of orders.

French officials insisted yesterday that no discussions with possible foreign buyers had taken place.

Creusot-Loire needs to dispose of its 50 per cent unless it is taken out of bankruptcy by being bought in its entirety by another group, an option which at the moment does not look likely.

Framatome, with a turnover of FF 4.4bn (\$508m) and net profits of FF 201m in 1983, manufactures pressurised water reactors (PWR) under licence from Westinghouse in the early 1970s. Although it is the main supplier for the ambitious French nuclear programme with 28 orders for PWRs in France and abroad still, in hand, it is already suffering from the slow-down in French nuclear

Continued on Page 24

Peugeot drops plan for engine plant

By KENNETH GOODING IN LONDON

PEUGEOT of France has postponed indefinitely its plan to set up a big new plant to produce an engine designed jointly with Fiat, the Italian car group.

The decision was undoubtedly influenced by Peugeot's parlous financial position. The group, which takes in Citroën and Talbot as well as Peugeot, has not made a profit since 1979. Last year its losses reached FF 2.5bn (\$288m) compared with FF 2.15bn in 1982.

Peugeot pointed out yesterday that the group already had a highly competitive small petrol engine, similar to the one developed with Fiat. "So we have not such an urgent need for an engine in the 1-litre class."

Fiat and Peugeot announced in 1980 their intention jointly to develop a new engine range between 1 litre and 1.5 litres, which would

have exceptionally low fuel consumption.

The original intention was for two identical plants to be put up side by side in southern Italy. Each would produce 500,000 engines a year on highly automated equipment.

After the Socialist Government was elected in France, Peugeot was persuaded to site its facility somewhere in France.

Fiat meanwhile has pressed ahead and will launch the new engines in September this year.

The Italian group says Peugeot has shown some interest in buying the engines from the Fiat plant but there is unlikely to be enough spare capacity for a worthwhile deal to be concluded.

Peugeot uses a small engine pro-

Continued on Page 24

Crocker property sale may raise up to \$700m

By WILLIAM HALL IN NEW YORK

CROCKER NATIONAL Corporation, the loss-making U.S. subsidiary of Britain's Midland Bank, had put its San Francisco headquarters up for sale and is investigating the sale or refinancing of its Los Angeles office complex in a series of property transactions that might raise up to \$700m.

Crocker, which has lost \$178m in the last two quarters and is under pressure from the U.S. bank regulators to strengthen its capital ratios, has engaged Goldman Sachs, the U.S. investment bank, to help it to sell its recently completed headquarters complex in San Francisco for a minimum asking price of \$425m.

Crocker is also investigating the possible sale or refinancing of its approximate 40 per cent share of the twin-tower Crocker centre complex in Los Angeles.

Property dealers estimate that Crocker's share of the 2.2m square feet development is worth about \$250m. As Crocker is a minority partner, they note that a sale or refinancing of the property is more complicated than is the case of the San Francisco building, where Crocker is the sole owner.

Crocker's San Francisco headquarters at 1 Montgomery Street,

one of the city's most prestigious addresses, includes a glass-domed shopping centre, known as Crocker Galleria, as well as a 38-storey office tower.

When Crocker first announced the projects in early 1979, the reported cost of the San Francisco development was \$155m and the Los Angeles joint venture was \$275m.

Building costs have escalated and Crocker has not disclosed the total costs of the two investments.

Mr Frank Cabouet, who took over as chief executive of Crocker National Bank, the main operating subsidiary, earlier this year, said in April that Crocker's strategy was to reduce its investment in its headquarters buildings "thereby realising substantial market gains in order to strengthen our balance sheet." He emphasised that Crocker would continue to occupy the newly completed office complexes, even if they are sold. In common with several Californian banks, Crocker is anxious to cash in on the booming office property markets in downtown Los Angeles and San Francisco.

Crocker's San Francisco headquarters at 1 Montgomery Street,

EEC call for an extra Ecu 2bn

By QUENTIN PEEL IN BRUSSELS

THE EUROPEAN Commission decided yesterday to press ahead with its demand for the 10 member states of the EEC to finance a supplementary budget of more than Ecu 2bn (£1.9bn) this year, largely to finance the increased costs of the Community's agricultural policy.

The decision was taken at the weekly Commission meeting in Brussels, in spite of strong pressure from several members – led by Britain and West Germany – for spending cuts rather than as a result of any specific saving measures.

The one apparent concession made by the Commission has been to drop its original proposal to finance the deficit by borrowing, which was widely regarded as being outside its powers.

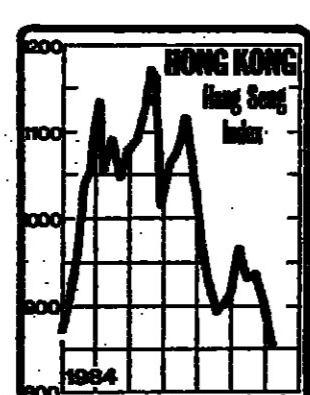
Instead, EEC finance ministers will be asked to provide an "advance against own resources" – effectively an early payment of the

increased contributions which member states have agreed in principle to provide during the course of 1985.

Commission officials insist that the increased spending is necessary to finance agreed Community policies, and that there has been no objective change in the situation since April, when the overspending was first identified.

Although they recognise that savings could be made – primarily by postponing spending from 1984 to 1985 – they argue that such a course would almost certainly cost more in the long-run, with the need to store surpluses such as the 1m tonne butter mountain for an extended period.

Third World plea, Page 4; Irish milk smuggling, Page 24



GOLD rose \$1 on the London bullion market to \$369.25. It closed at \$369.25 in Frankfurt and Zurich. Page 40

LONDON stock market advanced amid stock shortages, and the FT Industrial Ordinary index added 12.8 to 831.41. Government stocks were also firmer. Section III

THE PHILIPPINES has asked its creditor banks for a third extension of a 90-day moratorium on debt repayments, central bank sources said.

CANADIAN GOVERNMENT has asked the country's banks to increase their provisions for non-performing loans to several Third World countries and is to tighten the rules on banks' disclosure of overdue principal and interest payments.

CASIO COMPUTER, Japanese electronic manufacturer, lifted consolidated net profits by 25.8 per cent to Y8.88bn (\$57.5m) for the year to March 20, 1983. Page 28

FRIEDRICH FLICK, privately owned German industrial group, more than tripled profits in 1983 to DM 295m (£106m) from DM 95m in 1982. Page 27

DAIMLER BENZ said the seven-week metalworkers strike had cost it DM 3.5bn (£1.25bn) in sales, forcing cuts in production targets, and had damaged West Germany's reputation for reliability. Page 24; Trucks launched in UK, Page 9

IRANIAN DEBT

Iran has failed to pay interest equivalent to 2.6m yen (£10.8m) on loans from Japanese banks to finance the Japanese-Iranian petrochemical complex at Bandar Khoshk, southern Iran, industry sources said.

CHINESE RESERVES

EUROPEAN NEWS

Mme Cresson seeks a shift from grandiose foreign contracts, writes David Housego

Super saleswoman lowers French sights

"The salesman's job has always been underrated in France," says Mme Edith Cresson, who in 15 months as Minister of External Trade has transformed herself into France's super-saleswoman. "My aim is to demonstrate its importance."

She accuses her predecessors in the post of spending too much of their time winging round the world negotiating large turn-key projects with developing countries. "Ministers used to come back announcing that they had signed the contract of the century. But now there are less and less contracts of the century and soon there will be no more," she says.

She believes that throughout the world the number of large contracts available to western companies, and which are an important plank in French sales abroad, is sharply on the decline.

She has thus shifted the emphasis of her Ministry to the more mundane task of expanding French exports of standard consumer goods and industrial equipment. She has mounted a crusade to push small- and medium-sized companies who relied exclusively on domestic sales to hunt for markets overseas.

"Our aims must be more modest," she says. "We must concentrate on clients who can pay and products that can be sold in quantity."

In pursuit of that goal she has organised crash programmes in France to make French busi-

nessmen more aware of export opportunities.

Compared with West Germany, Holland and Britain, Germany have fallen well behind in marketing," she says. She blames the previous government for not doing "enough to encourage French companies, in explaining to them that to sell abroad, they need to be represented abroad. They need to find a distribution network."

As Minister she has thus mothered parties of French businessmen around the world. She took a party of 200 to the U.S. earlier this year, has toured the Middle East and South East Asia, and ferried 30 company chairmen to Mexico.

French industry was initially suspicious of her as both a Socialist and a woman with no business experience. They have since come to admire her sense of publicity.

Like a well-trained actress, she can be snap on charm. She is elegant and warm. She is liked in her Ministry because she masters her briefs and fights for them in Cabinet.

Her tactics are often brazen. In Mexico she ushered the company chairmen into the President's office and then helped smooth their path in their negotiations with Ministers.

But they are tactics that often seem to work. Officials usually credit her with some of the increases in exports France achieved last year particularly in the U.S.

Before taking over the Minis-



Mme Cresson: tactics often brazen.

try of External Trade, she was Minister of Agriculture. It was an unhappy period both for her and for the farmers who felt from the start that the appointment of a woman minister was a calculated insult by the Socialists to their male and generally right wing pride. Mme Cresson stood her ground against their invertebrate and was rewarded for her courage by being transferred to the Ministry of External Trade.

In the French system it has always been an unsatisfactory post. It has no administrative staff of its own but has to rely

on the Ministry of Finance for seconded personnel. M. Raymond Barre, who was Minister of External Trade in 1976, used the job which provides a window on the French economy through the trade statistics, to highlight the damaging consequences of the revolutionary programme of the then Minister, M. Chirac, then Prime Minister. He was succeeded by being made Prime Minister and Finance Minister.

M. Michel Jobert, Mme Cresson's predecessor complained that being dependent on the Ministry of Finance for his administrative services left him powerless.

He resigned in protest while propounding that the government's economic policies would drag France into the arms of the IMF. But M. Jobert was an odd man out in the government. As a left-wing radical he had no standing in the Socialist party and little in the cabinet.

Mme Cresson has concentrated on the role of saleswoman. A friend of President Mitterrand, but not part of his inner circle, she took over the post at an opportune moment.

The austerity measures announced in March 1983 forced companies to look abroad because of the squeeze on the domestic market. At the same time the government desperately needed to boost exports to reduce the trade deficit.

Mme Cresson concedes that with the domestic market expanding again next year as France heads for a marginally higher growth rate than its

trading partners there is a risk that companies will switch back to concentrating on sales at home.

"Naturally there will be failures," she says. "There will be some companies who say we can't return to the domestic market. But others will have got a taste for exporting."

In practice shifting the Minister's priorities from backing the French industry in the fight for large scale contracts to providing support for more run-of-the-mill exports in industrialised markets will be a long haul.

Not only do French companies have limited distribution networks abroad. But French government commercial services are also inadequately geared to exploiting opportunities in industrialised country markets. The shift in direction was begun before Mme Cresson arrived and has since been vigorously continued.

If Mme Cresson sees herself as first and foremost France's sales lady abroad, she is also a passionate advocate of a joint European export drive.

"Everywhere I go in the Middle East or in South East Asia," she says, "people tell me that they have no problem in buying French, British or German. But they say we would really need to boost exports to reduce the trade deficit."

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Howe trip strikes sparks in Moscow

By David Buchan in Moscow

IN BRITAIN Sir Geoffrey Howe will be better known for his low-key public persona. But his brief trip to Moscow set off more sparks with the Soviet leadership than that of any other Western minister this year.

Usually, both sides save the mutual recriminations until the Western minister is safely airborne for home. But while Sir Geoffrey was still on Soviet soil, a senior Moscow spokesman was saying that Soviet and British positions were "diametrically opposed" on many issues. Nor had two days of talks narrowed the gap.

Like Geoffrey countered by ridiculing with uncharacteristic sarcasm the Soviet arms control position as illogical and inconsistent and tending to score "own goals."

For all the modest fanfare attendant on the first working visit by Sir Geoffrey, the Secretary for overseas years the early signs are that his trip has not achieved any breakthrough in East-West diplomacy or given a fresh boost to the incipient Anglo-Soviet dialogue of the past year.

Despite Sir Geoffrey's assurance—direct from the White House, he said—that the Americans would talk about space weaponry without precondition or including nuclear missiles, Pravda again yesterday laid into the "extremely unserious and obstructive" attitude of the US towards its proposed negotiations on anti-satellite and anti-missile weapons.

Political dialogue

Pravda put the meeting between President Konstantin Chernenko and Sir Geoffrey on its front page with a picture and a brief reference to the latter's stress on Britain's interest in continuing a political dialogue with the Soviet Union. But his news conference went virtually unanswered.

It was likely that the Anglo-Soviet dialogue, which had seen an accelerating exchange of visits by lower level ministers from both countries, has now probably hit a plateau.

It is unclear when or if Mr Andrei Gromyko, the Soviet Foreign Minister, will take up his invitation to go to London. Recent speculation about an early visit to Moscow by Prime Minister Margaret Thatcher, following her February trip to Hungary, is now stalled.

Several factors lie behind the surprisingly tough performance of the mild-mannered Foreign Secretary. One is simply the contrast with earlier visits here by Western visitors.

President Francois Mitterrand offset his one bold reference to Dr Andrei Sakharov, the Soviet dissident in a Kremlin speech with otherwise conciliatory statements. The other important Western visitor here, Herr Hans-Dietrich Genscher, the West German Foreign Minister, was blunt but more cryptic than Sir Geoffrey.

While foreign demand also appeared a little surprised by the tough Soviet line on most foreign policy and arms control issues, he certainly hardened his approach during his two days here, so that the tone of his news conference was not noticeably sharper than his speech on his first day.

When Sir Geoffrey met President Chernenko in the Kremlin, he went straight from remarks about the weather and his evening at the Bolshoi to saying that he had found much to disagree in his five hours of talks with Mr Gromyko.

The succeeding dialogue cannot have been much smoother since Mr Gromyko, who though a few years senior to the perceptibly short-breathed Mr Chernenko, gave every impression of running Soviet foreign policy.

BY LESLIE COUTTE IN BERLIN

BL to appeal over EEC Commission fine of \$277,000

By PAUL CHEESERIGHT IN BRUSSELS

BL, the state-owned UK car manufacturer, is to appeal against a fine of over \$277,000 imposed by the European Commission which alleges that the British company broke EEC competition rules.

The Commission maintains BL is trying to deter British importers from buying cheap new Austin Metros on the continental European market.

BL has also been ordered to stop charging £100 for the documentation needed to register an imported Metro.

A spokesman for Austin Rover, BL's volume car subsidiary, said last night, however: "We do not agree with the decision taken by the Commission and we intend to appeal against it."

The case arose because of the sharp price differential between British and continental European car prices.

The fine of £100 (Ecu 350,000 (\$277,500)) would have been higher, officials explained, had BL not been co-operative during the Commission investigations. BL has accepted that it will make available to continental European dealers right-hand drive cars. These could then be resold in the UK.

The Commission move against BL was taken under Article 86 of the Treaty of Rome, the legal blueprint for the EEC. It was charged with abusing a dominant position.

The case started after a far-sighted British importer complained to Brussels about BL practices.

AUSTIN METRO 1000 PRICES AUTUMN 1983 (Not in £ sterling)

	Bel. Francs	UK	Deutsch	US\$
£100	3,976	4,226	4,219	5,988
£100	2,250	2,445	2,492	3,427

Sources: European Bureau of Consumer Protection. £100 = Ecu 350,000

These actions have involved Ford and Fiat.

Consistently the Commission has backed the right of companies to trade outside the established lines of distribution—so-called parallel importing—in the interests of allowing consumers in one country access to products in another.

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Greek law attacked by insurance companies

BY ANDRIANA IERODIAKONOU IN ATHENS

THE GREEK Insurance Association, the largest association of private insurance companies in the country, has accused the Government of driving its members out of business through a law which effectively obliges all firms financed by state banks to be insured with public sector companies. The greater part of the Greek banking system is state-owned or controlled.

The law, passed by the Socialist Administration in May 1982, says that firms must follow their banks' recommendation on which insurance company to choose. According to Mr Nicholas Adamantides, the Insurance Association president, this channels all business to the six Greek public sector insurance companies away from the 158 private companies in the market.

According to Mr Adamantides, in the autumn of 1982 the EEC notified the Greek Government that the new law violated Community regulations on free competition and other regulations. A resulting circular issued by the Greek Commerce Ministry telling firms that the required bank recommendation need not be binding had been totally ignored by everybody, Mr Adamantides said.

Mr Andreas Kazatzis, the Assistant Commerce Minister, said yesterday that the ministry was investigating the matter.

West German mechanical engineering orders rise

BY JONATHAN CARR IN FRANKFURT

ORDERS TO the West German mechanical engineering industry rose by 15 per cent in real terms in May against a year earlier, despite the metalworkers' strike which began the same month.

While foreign demand jumped by a real 19 per cent, domestic orders were up only 10 per cent—possibly reflecting the first impact of the metalworkers' stoppage.

Only the figures for June will give clear evidence of how far the strike has affected the sector, the country's second biggest branch of industry in turnover terms.

However, it is already plain that the vehicle industry (the biggest sector), has suffered most from the strike, with production losses coming close to 400,000 cars and lorries.

A survey released today shows that at least until shortly before the strike began, West German industrialists, buoyed by last year's improved profits, were planning to boost their fixed asset investment markedly.

According to the survey, taken in March and April, investment was likely to rise by about 2.5 per cent in real terms in 1984 after virtually stagnating last year.

It remains to be seen whether the strike has altered these investment plans—perhaps even brought a rise in investment to rationalise as a result of increased costs caused by the stoppage.

Bonn puts condition on East German bank loan

BY LESLIE COUTTE IN BERLIN

EAST GERMANY is to receive a West German Government-backed bank loan which appears to be linked with the improved access by East and West Germans to each other's countries.

Herr Franz-Josef Strauss, the Bavarian Prime Minister, confirmed the loan yesterday after it had been reported in the West German Press.

He said the Federal Chancellery in Bonn had apparently asked Deutsche Bank to head a consortium which would grant a loan to East Berlin's Deutsche Auslandshandelsbank.

West German newspapers had previously said East Germany would receive a loan of DM 900m (£242m) with the "political backing" of the Bonn Government.

Herr Strauss, who heads the Christian Social Union which is part of the Bonn coalition, was instrumental in the granting last year of a DM 1bn loan to East Germany. He said it appears that East Germany would again put up an amount the payments it will receive from Bonn this year for Western use of the East German Autobahn to West Berlin which amounts to DM 620m.

The chief West German spokesman, Herr Peter Biesenbach, said high level negotiations between Bonn and East Berlin to improve access by East and West Germans to each

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By Walter Ellis in Amsterdam

THE DUTCH Cabinet discussed the possibility yesterday of national aids to farmers to help to compensate them for losses they may suffer as a result of agricultural reforms being brought in by the European Community.

Mr Gerrit Braks, Agriculture Minister, did

OVERSEAS NEWS

Uranium ban 'would harm Australian disarmament moves'

By MICHAEL THOMPSON-NOEL IN SYDNEY

MR BILL HAYDEN, the mine at Roxby Downs, in Australian Foreign Minister, South Australia. The partners in the planned \$2bn (£5bn) Olympic Dam project are Western Mining Corporation (51 per cent) and BP Australia (49 per cent).

However, next week's conference is expected to vote for a continuation of the ban on uranium mining or the removal of U.S. communications facilities, would harm or destroy Australia's ability to influence arms control or disarmament moves.

The uranium controversy is expected to dominate next week's biannual conference of the ruling Australian Labor Party in Canberra and test the authority of Mr Bob Hawke, the Prime Minister.

Uranium mining is supported by Mr Hawke, his Cabinet and the parliamentary ALP, but inspires bitter opposition on the left-wing of the party.

Australia has about 30 per cent of the West's low-cost uranium—far more than any other country.

Yesterday, an ALP policy committee produced a compromise uranium motion that is likely to be approved at next week's conference.

It endorses continuation of uranium mining and export and would enable new export contracts to be negotiated by Australia's two uranium mines, Ranger and Nabarlek.

The motion also envisages a go-ahead for development of the huge Olympic Dam mine—the world's richest uranium

Kashmir police clash with protesters

SRINAGAR — Police opened fire and used teargas yesterday to disperse stone-throwing demonstrators in Kashmir as violence broke out following the replacement of the Chief Minister.

Police using teargas and batons broke up demonstrations in two areas of Srinagar, capital of the sensitive state bordering Pakistan, which was plunged into political turmoil by the sacking of Chief Minister Mr Farouq Abdullah on Monday.

In a third incident, in the centre of the popular tourist resort, police opened fire to stop a clash between Abdullah supporters and followers of his successor — his brother-in-law Mr Ghulam Shah.

Abdullah loyalists, waving black flags, tried to stop supporters of the new administration tearing down a portrait of the ousted leader. Police said no casualties were reported.

In addition, Australian producers are under contract to supply relatively large quantities of uranium to Japan which is contemplating nuclear waste dumping at sea — yet another issue that infuriates the ALP left-wing.

Mr Hayden said yesterday: "The government is committed to complete nuclear disarmament. Until disarmament is won, it supports deterrence as the only effective alternative and it believes that the joint (U.S.) facilities, and our position as a producer of uranium, give us an unusual opportunity to make deterrent effective."

Muzorewa release rejected

By TONY HAWKINS IN HARARE

Minister for a year in 1979 prior to legal independence was agreed.

The Minister said the Bishop's case would be reviewed again in September. He was accused of conspiring with South Africa and Israel to overthrow the Government.

Announcing this in the Zimbabwean Parliament yesterday, Mr Simbi Muboko, the Home Affairs Minister, said the review tribunal had found that the Government had had good grounds for detaining Bishop Muzorewa, who is leader of the opposition United African National Council and was Prime

Lebanese army cheered on Beirut streets

BEIRUT — Lebanese army troops met no resistance as they fanned out in the Christian and Moslem halves of Beirut yesterday, beginning a three-day operation to restore peace to the capital.

Army patrols of jeeps, tanks and armoured personnel carriers toured the streets of the city in the early afternoon, a few hours after the deployment began at daybreak. Nearly all the Moslem and Christian militiamen who had ruled the divided capital for much of the past nine years stayed off the 3rd and 9th brigades.

The troops were deployed a few hundred yards behind the militiamen on both sides of the mid-city Green Line. They were to link up by midnight and today open the five-kilometre demarcation line that has split the capital for nine months.

The third day of the operation is to be devoted to re-opening Beirut's port and international airport and securing the roads to the two facilities which have been closed for five months.

But even as the peace opera-

tion got under way in Beirut, fighting broke out for the third day in Tripoli, Lebanon's second-largest city 50 miles north of Beirut.

The artillery and machine gun battles pitted Moslem fundamentalists against Syrian-backed groups. Tripoli police

said four people were killed and more than 40 wounded.

In Beirut, residents stood on balconies and sidewalks to watch the Lebanese troops go by. Some cheered and others, in neighbourhoods close to the Green Line where the fighting has been most intense, sprayed the troops with rose water, rice and flowers.

Lebanon's National Unity Cabinet, which comprises the country's main Christian and Moslem warlords, went into session at mid-morning to monitor the army's deployment.

AP

Philippines seeks debt moratorium extension

By Emilia Taguba in Manila

THE PHILIPPINE Government has asked foreign commercial creditors for another 90-day moratorium on repayments of loan principal after the current standstill ends on July 16. The extension was made necessary by the Government's failure to clinch the SDR 615m (£470m) standby credit from the International Monetary Fund (IMF), which has been under works for about 10 months.

This is the third extension of the moratorium first declared in October last year, bringing to a full year its suspension of payments on the principal of Philippine foreign loans.

President Ferdinand Marcos had hoped the IMF credit would be in place last month but the Government failed to meet certain targets it committed to the IMF, particularly the limits set on domestic liquidity.

Another IMF team is expected in Manila next week, although Mr Jose Llanes, the Central Bank governor, said he did not know whether it will negotiate and finalise the deal, will merely assess economic developments since the last IMF mission early in June. Senior bankers said even if the team is a negotiating mission, there is no cause for optimism.

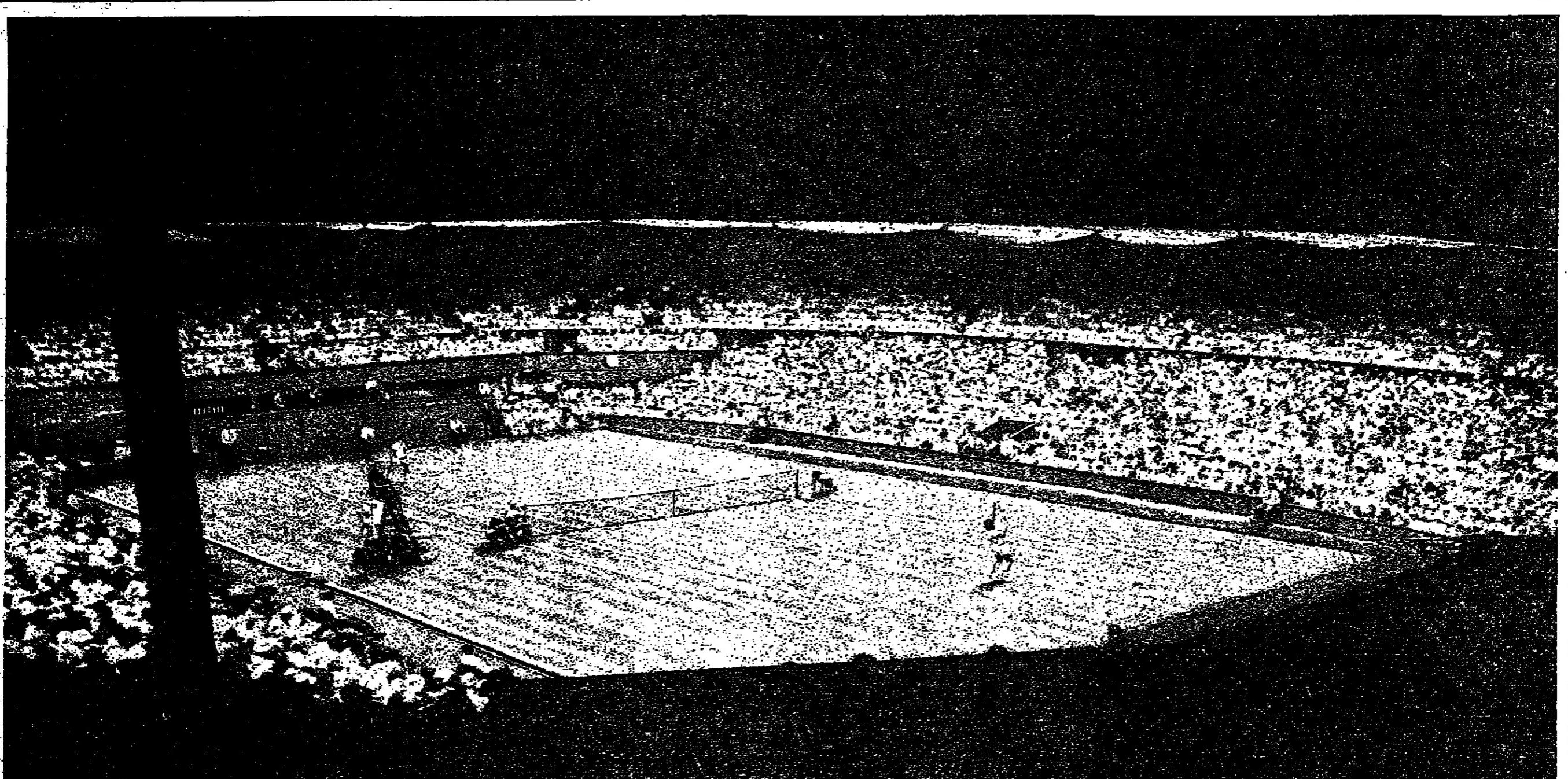
One banker said one difficult issue is the Government's failure to cut the so-called reserve money, which is the controlling mechanism for liquidity. Another issue is the peso's exchange rate against the dollar. The peso was devalued 22 per cent last month to 18 pesos to the dollar, but bankers said it is still overvalued as indicated by the absence of active trading at that rate.

Israeli strikes widen

ISRAELI STRIKES WIDEN

Israel was hit yesterday with a widening wave of strikes that disrupted services ranging from electricity and water supplies to sessions of the rabbinical courts. AP reports from Jerusalem.

Foreign ministry employees voted to press their demands for pay increases. However, union leader Yoav Bahiri told Israel Radio that the workers had not yet decided how to translate their vote into action, but one possibility was to stop hosting visiting dignitaries.



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AMERICAN NEWS

Jesse Jackson pledges support for Mondale

By REGINALD DALE, U.S. EDITOR IN WASHINGTON

THE REV Jesse Jackson has voted his support to Mr Walter Mondale as the probable Democratic contender in this year's U.S. Presidential elections, in the interests of defeating President Ronald Reagan in November.

After a meeting between the two in Washington City, Mr Jackson nevertheless made it clear that not all the issues that have divided them had been resolved and that he intended to keep his own Presidential candidacy alive until the San Francisco Democratic convention later this month.

Mr Mondale's advisers said that after Tuesday's talks they were confident that the convention would be conducted positively and with minimal disruption. Mr Jackson said that he and Mr Jackson were "working together now" for a successful convention.

Mondale supporters have been concerned that Mr Jackson might disrupt the convention by taking up his proportionately small share of delegates. Although he won 21 per cent of the popular vote in the primaries and caucuses that ended last month, Mr Jackson will have only about 8 per cent of the delegates in San Francisco under party rules.

The Mondale camp has been nervous over Mr Jackson's support for some third world revolutions, the Palestine Liberation Organisation and his recent highly publicised visits to Cuba and Nicaragua.

Mr Jackson gave Mr Mondale a list of black and Hispanic women for consideration as Vice Presidential candidates, but did not press the point too hard. Mr Mondale yesterday continued his series of interviews with potential running mates with a meeting with the first Hispanic on his list, Mr Henry Cisneros, the Mayor of San Antonio.

Argentina embarks on austerity programme

PRESIDENT Raúl Alfonsín's Government has ordered sharp price increases for petrol, transport and public utilities — the first steps in an austerity programme sought by Argentina's creditors, writes Reuters from Buenos Aires.

The Government also called for a modest 12 per cent wage rise for the private sector, far behind June's estimated 17.3

per cent inflation over the previous month. It said public sector wage rises would be announced later.

The President said that the effort of the state, which had to set an example, will be aimed at reducing the fiscal deficit and at (implementing) austerity measures that will be furthered and adopted day to day.

Mr José Ignacio López, the President's Press spokesman said:

Shultz aims to reaffirm Pacific alliances

By Our U.S. Editor in Washington

MR GEORGE SHULTZ, U.S. Secretary, leaves tonight for a 12-day tour of the Far East, Australia and New Zealand intended to reaffirm U.S. support for its Pacific allies.

After a brief stop in Hong Kong, Mr Shultz is to travel via Malaysia and Singapore to Indonesia for a ministerial meeting of the Association of South-east Asian Nations (Asean) on July 12 and 13.

He is then due to visit Australia before attending the annual Australia-New Zealand (Anzus) pact ministerial conference in Wellington.

U.S. officials said the main thrust of Mr Shultz's trip will be to re-emphasise U.S. support for Asean, now the U.S.'s fifth largest trading partner, and Asean's strategy of working for the withdrawal of Vietnamese occupation forces from Kampuchea.

The U.S. will have no specific new proposals on Kampuchea, officials said. Mr Shultz will want continued backing for the Asean strategy, which is to hold out the inducement of trade and economic benefits to Vietnam if it withdraws its forces.

The State Department believes a political settlement in Kampuchea could, in time remove or reduce the growing Soviet military presence in Vietnam.

Officials stressed, however, that Vietnam would also have to co-operate on the continuing problem of the Americans listed as missing in action in the Vietnamese war before consideration could be given to normalising U.S.-Vietnam relations.

Security assistance, was bearing the main burden of the fighting and the refugee problems it had created, he said.

The portion of the trip that could embarrass Mr Shultz will be his visit to New Zealand, where he arrives the day after the snap general election called by Mr Robert Muldoon, the Prime Minister, for July 14.

The opposition Labour Party, which has a fair chance of winning the election, is committed to banning U.S. nuclear-armed subs from New Zealand and renegotiating the Anzus alliance.

FIGUEIREDO CALLS FOR URGENT TALKS WITH WEST TO RELIEVE DEBT BURDEN

Brazil's trade surplus soars to record high

By ANDREW WHITLEY IN RIO DE JANEIRO

BRAZIL'S external trade soared to new records in June, producing a surplus for the first half of the year of \$6.63bn (£4.5bn). This is well above the most optimistic expectations and equal to the whole of the 1983 record surplus.

As news of this strong trading performance was announced, it was revealed that the President, Joao Figueiredo had sent a letter to President Ronald Reagan calling for urgent talks with Western industrialised countries on ways to relieve the developing world's debt burden.

The letter, sent on Tuesday, was prompted by the recent rise in U.S. prime rates, and is the latest in an exchange of correspondence between Western leaders and their Latin American counterparts in the wake of the Cartagena summit. U.S. officials said the main thrust of Mr Shultz's trip will be to re-emphasise U.S. support for Asean, now the U.S.'s fifth largest trading partner, and Asean's strategy of working for the withdrawal of Vietnamese occupation forces from Kampuchea.

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The U.S. market is crucial to the aluminium industry.

Announcing the figures, Sr Carlos Viana, the Foreign Trade chief, forecast that Brazil would achieve a surplus of \$1.5bn "with ease" in 1984. This will reduce significantly the country's borrowing requirement next year from the international capital market.

In June, exports, helped by a strong performance from coffee, hit the record figure of \$2.51bn. Imports, at \$1.2bn, remained low showing no signs of recovery.

In the excitement over the trade surplus—currently for the fourth consecutive month—the Brazilian economic firmament has been given a strong performance by the nominal public deficit, monetary base and means of payment. To blame is the persistence of inflation at levels considerably higher than had been anticipated.

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The U.S. market is crucial to the aluminium industry.

Whereas only about a quarter of the Western world's steel is consumed in the U.S., nearly 40 per cent of all aluminium is used there.

Most of the traditional markets for aluminium are highly volatile. Until recently, about half of all aluminium is highly went into transportation and building products, such as aircraft and truck trailers and siding and window frames for buildings.

Typically, these sectors also tend to lead an economic recovery and fade when the emphasis shifts to spending on capital goods. Demand for common alloy sheet, used widely in house construction, has softened in recent months in line with the slump in U.S. housebuilding, and Alcoa withdrew a planned 5 per cent increase in May.

Producers hope that it is just a correction, and there is considerable evidence to support the optimistic view. Production and investment trends have been fairly stable in the past six months and Western world consumption is expected to rise a healthy 8 per cent this year.

But there is also a lot of nervousness about the course of the U.S. economy.

Producers hope that demand

for aluminium is becoming less

cyclical markets, such as that

for beverage cans. The container and packaging market

now accounts for over a quarter of U.S. aluminium shipments

and the industry hopes to make

further major advances by

developing aluminium cans for food.

Producers argue that the sharp decline in prices this year is mainly an adjustment to last year's dramatic recovery.

When demand and prices shot

up, producers responded by

raising output too quickly.

Alcan estimates that 1.5m tonnes of annual capacity came

back into operation last year,

about a 14 per cent rise on the

1982 western world production

rate. Consumption rose a robust 9 per cent in 1983, but it was not enough to absorb this new supply.

Demand and prices were

buzzed last year to some extent

by consumer stock rebuilding

and hedge buying against

price increases. When those

pressures eased early this year,

aluminium trading prices on

the London Metal Exchange

plumbed. Yesterday's spot price

was £901.5 a tonne compared with £1,123 in January.

The fall in prices has made some smelters uncompetitive again. Alcoa said it was reducing production in Washington state and Tennessee.

Today, there is a lot of

government-owned smelting

capacity, especially in Western Europe, that tends to continue

producing regardless of market

conditions, thus exacerbating

supply and making the bad

times much worse than they

used to be.

Meanwhile, the sharp increase

in energy costs has hurt the

competitiveness of a lot of older

smelters, and markedly im-

proved the position of those

with access to low cost elec-

tricity, notably Alcan.

The Canadian company,

which used to play the role of

swing supplier, suddenly

changed its policy in the last

recession, carrying on a high

rate of production. The U.S.

producers appear to have

accepted that they are now

the swing suppliers. And their

recent cutbacks, which involve

a modest 194,000 tonnes of

capacity in all, suggest that

they will be very effective in

this role, responding quickly

and sensitively to changes in

market conditions.

That too may help to remove

some of the traditional vola-

tility in this industry.

ments. These proposals, which include calls for an immediate reduction in interest rates and the establishment of a special fund to alleviate the impact of debt-interest payments, were described in the letter as "valid, realistic and pragmatic."

The U.S. has so far responded coolly to the idea of reducing the debt question out of the frame of the banks' and international lending institutions.

Sr Antônio Chaves, Brazil's Vice President, at one time the

most popular choice to succeed

President Joao Figueiredo next

year, has announced that he is

standing down as a candidate.

The withdrawal of Sr Chaves and of Sr Marco Maciel, a Federal Senator from the official Partido Demócratico Social, on Tuesday

made explicit the long apparent

divisions in the strike-torn

party.

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The fall in prices has made some smelters uncompetitive again. Alcoa

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active customers."

Euromoney, May 1984,
pp 203-6, "The traders whose
customers are best served."

Chemical Bank
Foreign Exchange



UK NEWS

Pessimism over prospects for pit strike talks

BY OUR INDUSTRIAL STAFF

PROSPECTS for an early settlement of the bitter and protracted coal strike rest on talks scheduled for today and tomorrow between the two sides, the National Coal Board (NCB) and the National Union of Mineworkers (NUM). Few involved in the dispute seem optimistic about their outcome.

Mr Ian MacGregor, chairman of the NCB, still has the same demand to reduce capacity by 4m tonnes, including the closure of uneconomic pits. The NUM still insists that the closure programme must be withdrawn. The last meeting between the two parties, on June 13, ended in recriminations with each side blaming the other's intransigence for the breakdown.

The NCB is persevering with the second part of its strategy, to encourage striking miners to return to work. "In the absence of a national settlement," Mr Ken Moses, director of the NCB's North Derbyshire area, said, "the only way to solve it is a drift back to work. So let's encourage it."

The NCB this week has been taking full-page advertisements in na-

tional newspapers to try to persuade the miners to end their strike.

The North Derbyshire area has become the focus for the coal board's hopes of achieving a start to this "drift back to work." Mr Moses is among those who see little likelihood of an immediate negotiated settlement. "As long as the NUM refuses point blank to contemplate that some pits are going to close with some coal in them, I can't see how we can settle it. You are really getting down in the end to who is going to manage the industry."

The number of men working at North Derbyshire collieries has increased, but so has the amount of picket-line violence. About 1,000 pickets were outside the Shirebrook pit yesterday and the police made several arrests.

Mr Norman Tebbit, the Trade and Industry Secretary, yesterday attacked miners' pickets as "a bunch of most ruthless and violent bullies." Another 20 arrests were made outside the British Steel plant at Llanwern, South Wales.

Drawings sold for record £21.1m

BY ANTONY THORNCROFT

SEVENTY ONE old master drawings from the Duke of Devonshire's collection at Chatsworth House, Derbyshire, sold for £21,178,800 at Christie's in London. The total was a record for any auction held in the UK and far exceeded Christie's pre-sale forecast of around £7.5m.

The drawings had been offered to the British Museum for a reported £5m, but there were arguments about the sum and certain attributions. After the auction last night, the Duke said he was sad that no deal had been possible that would have kept the drawings in Britain, but the

prices realised at auction justified his decision, even though he will now have to pay capital gains tax.

The sale set many records. A study of a man's head by Raphael sold for £3,564,000, a record for any picture at auction and only exceeded by the Henry the Lion gospels, which sold at Sotheby's last year, for £5m. The Raphael was bought for a private collector. A page from Vasari's Libro de Disegni, with many drawings attributed to Filippino Lippi, made £3,240,000.

Almost every drawing offered (only one was unsold) establish-

ed an auction record for the artist. A Hans Holbein portrait of a scholar fetched £1,566,000 to the London dealer Bassett & Day. It was bidding on behalf of the Getty Museum at Malibu, California, which acquired seven lots for a total of £5,538,000.

Even so, it was outbid on some drawings and the action in the saleroom was widely spread among British, continental and American dealers and museums. Getty also bought "St Paul Rending His Garment" by Raphael for £1,512,000; "Four Saints" by Mantegna for £1,388,000; and "A Man Threshing Beside a Wagon"

by Rubens for £756,000.

Other high prices were "A View of the Amstel" by Rembrandt, £548,000 also to Getty; £564,000 for "Three Groups of Apostles" by Rubens (Getty again) and a portrait of Hendrick Van Baylen by Van Dyck for £562,200 (Getty).

There was a round of applause at the end of the auction from the packed saleroom. Although in theory all the items sold will require export licences, because they have been offered first to the British Museum it is unlikely that any sold abroad will remain in Britain.

Thatcher to chair Hong Kong meeting

BY ALAIN CASS, ASIA EDITOR

MRS MARGARET THATCHER, the Prime Minister, is to chair a meeting at Downing Street tomorrow of Britain's negotiating team for the talks between London and Peking on the future of Hong Kong.

These talks have reached a detailed and advanced stage and this latest review of the negotiations is believed to be crucial.

Officials in Whitehall yesterday refused to comment on reports that China had proposed establishing a joint working party to monitor the colony's transition to China.

The reports have caused some concern in Hong Kong because such a working group, it is feared, might give China an effective say in running the territory long before Peking resumes sovereignty.

Chinese officials are reported to have told members of Hong Kong's appointed councils that such a working party would be intended only for consultation. However, concern about Peking's real intentions has grown since what was widely regarded in the colony as an unsatisfactory meeting in Peking recently between members of the executive and legislative councils and Deng Xiaoping, the Chinese leader.

A version of the proposal was published earlier this week in a usually well-informed newspaper in Hong Kong.

It seems increasingly likely that a draft agreement on the colony's future will be ready for signing by September before being debated by the House of Commons in the following three months.

Whitehall unshaken by criticism of Enterprise Oil sale

BY PETER RIDDELL, POLITICAL EDITOR

SENIOR MINISTERS intend to launch a major counter-attack against recent City of London and parliamentary criticism of the privatisation programme, which has intensified since the row over the flotation of Enterprise Oil.

The main theme will be that the Government's aim is to increase competition by establishing independent British entities, rather than merely to gain the maximum selling price.

Government determination to press ahead with this programme has been underlined by a letter this week from Mrs Margaret Thatcher, prime Minister, to Mr Tim Eggar, the Conservative MP for Enfield North, and a co-author on a recent pamphlet on the subject.

Mrs Thatcher says "The programme will continue through the life of the Parliament with British Telecom, Sealink and Jaguar all to move before long to the private sector."

There was apparently complete agreement between the Treasury and the Department of Energy over the Government's rejection of the application for 49 per cent of Enterprise's equity by Rio Tinto-Zinc (RTZ), the international mining and industrial group.

Ministers argue that RTZ and aggrieved City underwriters failed to take account of the Government's repeated statements about keeping

Enterprise as a separate concern for at least its early years after the recruitment of its new management team.

It is pointed out in Whitehall that, if the Government had wanted merely to maximise sale proceeds, the former North Sea oil assets of British Gas, which comprise Enterprise, could have been sold privately to one or two bidders, probably one of the major US oil companies.

Ministers say the critics would then have been outraged by such a secret transfer of oil assets overseas and there might have been a parliamentary investigation.

Ministers are now stressing the importance of privatisation for encouraging competition and strong British companies, rather than the purely financial aspects. This is in contrast to the previous emphasis on the amount that could be raised by privatisation to hold down public sector borrowing.

The main political attack has come from Labour MPs although ministers have not been seriously troubled. Most Tory MPs have kept quiet, but a few MPs are privately critical about the handling of the Enterprise flotation.

There is little general sympathy, however, for the complaints of the underwriters since both ministers and Tory backbenchers argue that City institutions earn their fees by taking losses as well as profits.

Rejection of RTZ's offer to be urged

BY OUR POLITICAL AND FINANCIAL STAFF

ENTERPRISE OIL is working on a document to be sent to shareholders this weekend, advising them that Rio Tinto-Zinc's (RTZ) offer of up to 110p a share for an additional 15 per cent of Enterprise should be rejected.

The oil company is, however, continuing to explore the possibility of combining its North Sea assets with those of RTZ Oil and Gas.

It is also looking at a variant of this deal involving the three other companies which have acted in a number of oilfield consortia with RTZ-Hamilton Oil, Blackfriars Oil and TransEuropean.

Mr William Bell, Enterprise's chairman, is expected to meet Sir

Alistair Frame, RTZ's chairman, when Sir Alistair returns from Australia tomorrow. Enterprise's strategy for fending off RTZ's advances still appeared to be in the melting pot yesterday.

The initial problem is to complete a convincing case to shareholders why they should reject an offer for shares which involves a 10 per cent premium on the current price.

Enterprise will probably argue that since RTZ's stake effectively blocks other bidders, its tender should carry a substantial bid premium.

But Enterprise's main hope of deflecting RTZ from a hostile to a friendly course of action lies in the proposals now being hatched on various asset combinations, designed to provide Enterprise with tax-efficient exploration acreage to balance its heavy production portfolio.

RTZ Oil and Gas itself offers considerable potential in this regard, but Enterprise is also thought to be examining closely the position of Hamilton Oil, the company partly owned by Volvo of Sweden. Hamilton has a wide range of North Sea assets.

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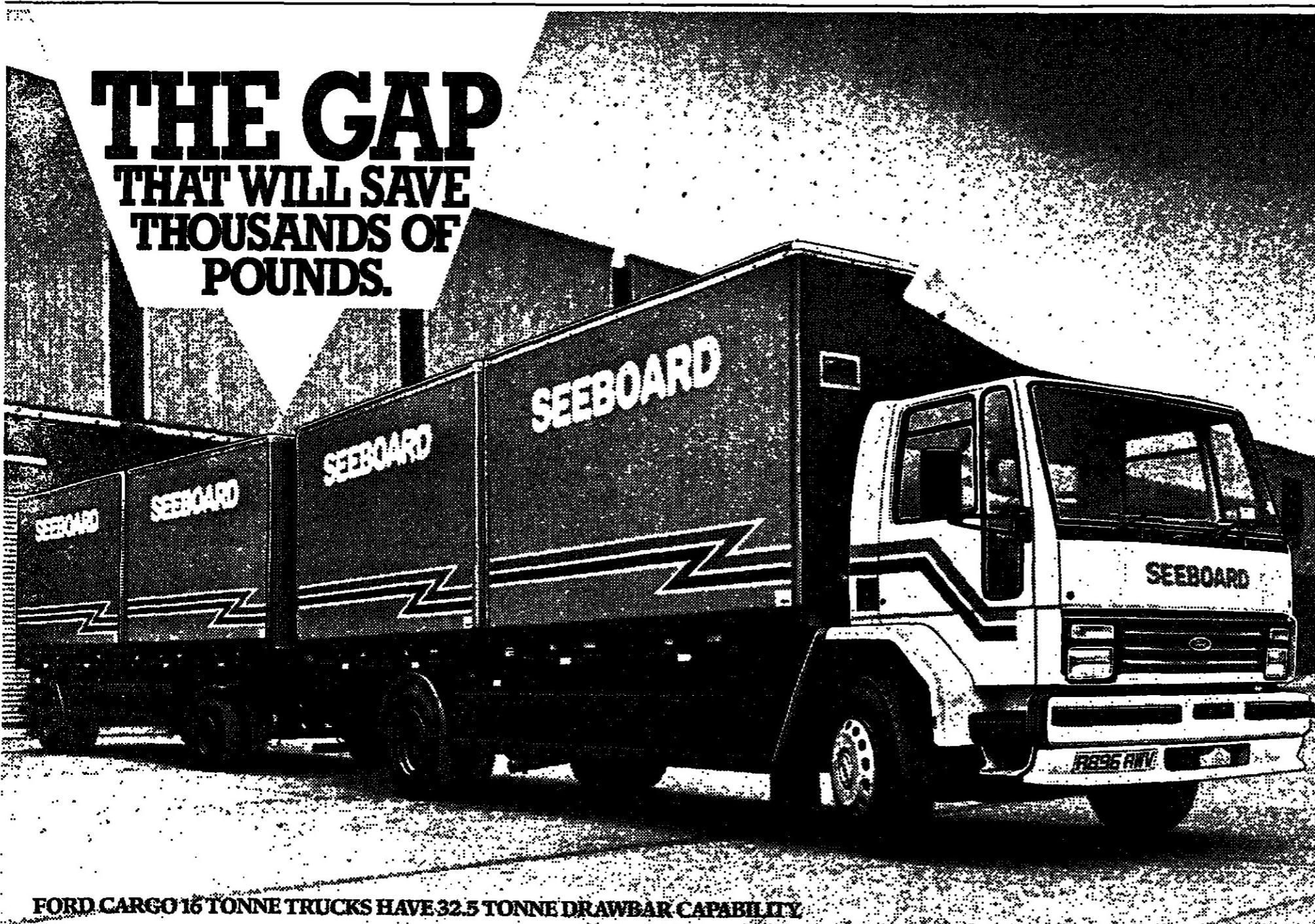
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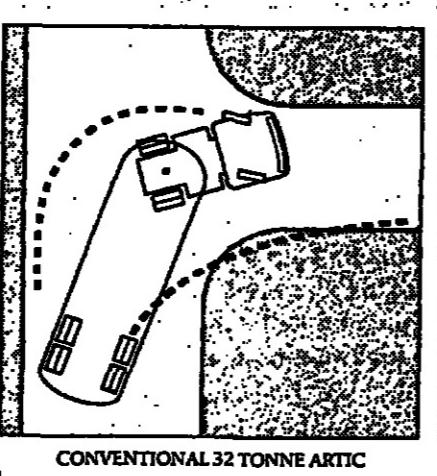
Ford are opening up some remarkable opportunities to save money, with the widest and most efficient range of drawbar configurations on the market.

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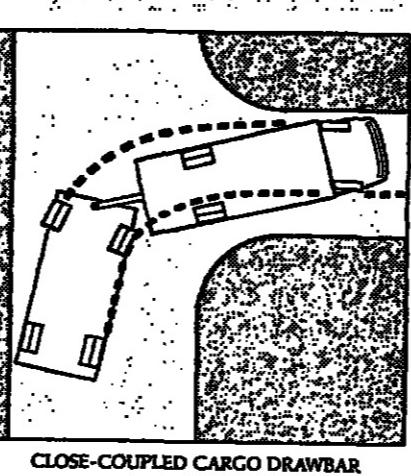
More loadspace less tax.

A drawbar offers you up to 50 feet, or more, total body length giving an extra 25% more usable loadspace than an artic. This means you can carry more on every trip, reducing the number of journeys necessary and saving money on running costs.

As well as saving running costs with a drawbar you also save tax. The 1984 budget gave even greater annual tax savings, against an equivalent weight artic, of up to £1,270* per truck. And that can save a lot of money for a large fleet operator.



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The Seeboard story.

South Eastern Electricity Board are completely reorganising their appliance distribution around Cargo 16 tonne drawbar trucks and a demountable body system.

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HOW THE MINERS ON STRIKE HAVE BEEN MISLED...

2. ABOUT WHAT THE STRIKE CAN ACHIEVE.

The miners on strike are angry. And it's easy to understand why.

They are angry because of what they have been told by their leaders.

But have they been told the truth?

The sad thing is that the only result the strike can achieve is irreparable damage to the industry.

Can the strike stop pit closures?

No – for a very simple reason.

The future of coal depends upon how much it costs to mine. The cheaper it is, the more of it we can sell, and therefore the more of it we can mine.

The more expensive it is, the more it will pile up unsold, like the 55 million tonnes at the beginning of this year.

No matter how long the strike continues, it cannot change this basic fact.

We need to replace four million tonnes of our most expensive coal with economically-mined output.

This will bring the average cost down – and allow us to sell more coal from our better pits.

Doing this is exactly what was agreed in the 1974 Plan for Coal – to replace old, uneconomic capacity with new economic capacity.

The final Tri-partite Report on the Plan for Coal said in Paragraph 27, "inevitably some pits will have to close as their useful economic reserves of coal are depleted".

A mere 12 per cent of our capacity is now directly costing more than £275 million a year to support. This is money that should be going into modernising our other pits – as the Plan for Coal hoped it would.

That will safeguard miners' jobs, increase wages, and give Britain the coal industry it needs.

The strike cannot do that. The only thing it can achieve is the very opposite.

If it goes on long enough, the strike threatens up to 30 good pits with permanent closure.

This could not only cost miners, but also steel and railway workers jobs that should not be lost.

Can the strike win new business?

Everyone knows it can't. It is driving away future coal customers.

It is making coal more difficult to sell.

It is threatening the future of the industry.

Britain is the only country in Western Europe that is investing so heavily in the future of coal.

The British coal industry has excellent prospects.

But not if the strike continues.

This strike – not the Coal Board – could butcher the industry.

That's why it is so important that this strike ends soon.

It was called by the miners' leaders. It now needs to be called off by the miners themselves.

NCB

**One in a series issued
by the National Coal Board.**

AUSTIN ROVER

AUSTIN ROVER. BUILDING THE CARS YOU ASKED FOR.

You've just got to catch up with the exciting new cars at your Austin Rover dealer, especially with 'B' registrations coming up fast.

So many sensational events have happened, with cars, care and quality all reaching the highest standards ever.

Austin Rover are building the right cars, tuned to the needs of drivers and

passengers as never before.

That's because they are the cars you asked for. The right style, the right performance, the right quality. And in your Austin Rover showroom, they've got the right deal for you too. Now or on 'B' registration.

Austin Metro's magical

mix of fun, personality and unbeatable low running costs gains the

stylish, sporty versatility wins

bonus of the right deal. The Maestro's distinctive blend of the extra attraction of the right deal too.

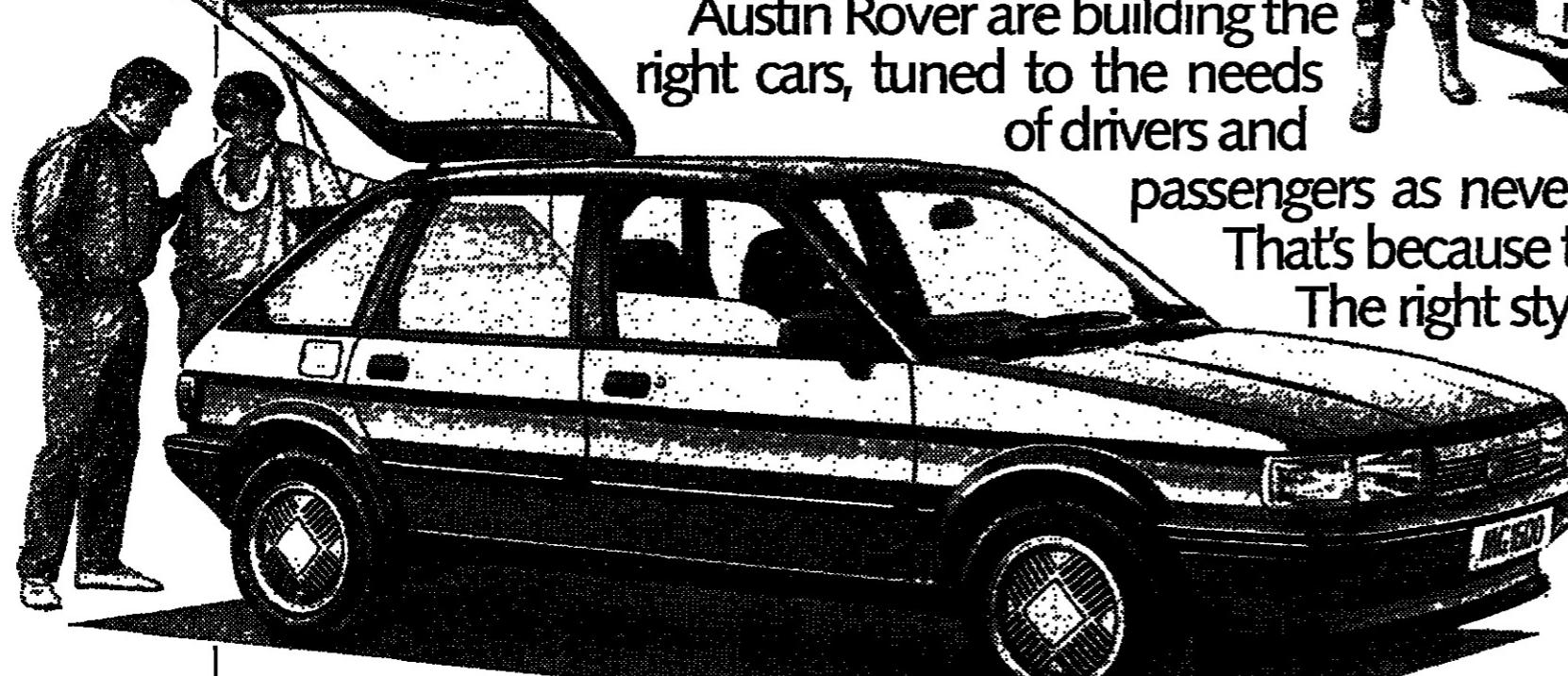
Class is the theme of the cheeky new Limited Edition Austin Mini 25. Elegant luxury that turns on a sixpence and runs on pennies. Definitely the right car to celebrate Mini's 25 years of phenomenal success.

Right in the spotlight is the exciting new Austin Montego. For the many who have waited for a car that combines sheer class with absolute driveability, the waiting is over. Montego is available now, to be looked at, to be driven.

Whichever model you choose, you'll get the right care from Britain's largest

dealer network backed up by Supercare, the only complete customer care plan. Just one of the reasons Austin Rover cars hold their value so well at trade-in time.

As you can see, there's far more to getting the right deal than just the right price. At your Austin Rover dealer you'll get the right cars and the right care. Plus, of course, the right deal.



The right deal ✓
FROM AUSTIN ROVER

UK NEWS

VW expects small loss of UK sales as result of strike

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

AIRSWAGEN-AUDI expects to lose no more than 4,000 retail sales in Britain because of the strike which stopped the company's car production in West Germany for five weeks.

This represents only 3.6 per cent of the 110,000 cars the VW import company expected to sell in the UK in 1984.

VW estimates that production of 180,000 cars worth DM 2.8bn (£750m) was lost because of the dispute. But it hopes volunteers will work through the summer holiday to produce about 50,000 extra cars - giving a total of right-hand-drive models for Britain.

Mr Michael Heelas, managing director of VAG(UK), the VW-Audi import company owned by Louvre, said yesterday that, although there would not be much of a shortfall in volume, the "mix" of cars would probably not match demand as accurately as usual. Some customers would not be prepared to wait for the car of their choice.

His company was partly responsible, he said, in that it had underestimated the demand for the new Golf model with automatic transmission and power steering. VAG(UK) expected that 5 per cent of Golfs would be sold in that form but demand was nearly double.

Mr Heelas said he was concerned about the potential impact of the settlement on VW's costs in West Germany. He had made it clear to the German company that it should not expect to be able to pass on all the extra cost (a reduction in the working week from 40 hours to 38½ hours). Conditions in the car market were too competitive and VW no longer had the long lead in car technology.

Mr Heelas said he would prefer the prefix numberplate letter (which changes annually in August) to be dropped and for each driver to have a personal number plate. This would produce a "regular, sensible level of trade throughout the year." It would not cut total annual sales to any significant extent.

VAG(UK) forecasts that total car sales in Britain in July will be at about the 1983 level of 50,000. It expects that August sales will drop slightly from last year's record 374,599 to about 340,000, but that September registrations will rise from 118,475 to 123,000.

Daimler-Benz launches new trucks in UK

BY OUR MOTOR INDUSTRY CORRESPONDENT

DAIMLER-BENZ expects to raise its share of the UK market for 7.5-tonne trucks from 7.5 per cent to 10 per cent after the launch today of two versions from its new Mercedes medium truck range.

The company spent more than DM 280m (£74m) on the new range, which was launched in West Germany in March and replaces the Mercedes LP trucks. The British subsidiary is to sell two of the seven versions in the new range, one at 7.5 tonnes gross weight and one at 11 tonnes.

Most important is the 7.5-tonner, called the Mercedes 809, which competes in a sector that last year accounted for 11,470 registrations - roughly a third of the British truck market - and is dominated by UK-based producers.

Mr Hans Tauscher, managing director of Mercedes-Benz (UK), says the sector is likely to go on increasing in size. He predicts that sales will reach about 13,000 this year and that within four or five years his company will achieve a 10 per cent share.

Daimler-Benz has been able to launch the new light trucks in Brit-

Underwriters expected to accept £38m offer

BY JOHN MOORE, CITY CORRESPONDENT

MORE than 500 members of the Lloyd's insurance market who have received an offer of £38.1m to compensate them for money which has allegedly been misappropriated from their funds have indicated that they are likely to accept the offer.

The offer is being made by Minet Holdings and Alexander & Alexander Services after the recovery that more than £30m of funds from more than 1,000 underwriting members of insurance syndicates under the management of Minet's interests had disappeared.

Minet has alleged with its underwriting interests, that funds belonging to the underwriting members have been channelled out of members' funds to benefit secretly former underwriting executives.

Minet has traced £25m of the funds to Gibraltar and has found that the diverted money was routed through companies which form part of the Alexander Howden group, now part of Alexander & Alexander Services.

Lear Fan jobs to go

BY OUR BELFAST CORRESPONDENT

LEAR FAN, the company struggling to put a carbon fibre aircraft into production in Northern Ireland, is to make most of its 350 workers redundant next month instead of laying them off at an announced earlier.

The company and unions failed to agree on the terms for a lay-off of 320 employees due to begin this week. As a result, the employees will be made redundant on August 17.

In the meantime, the labour force will remain on a two-day week. The decision to close two Ulster factories temporarily was taken last

Airlines will help passengers left stranded by Air Florida

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIRLINES flying between the UK and Florida yesterday said they would help the several hundred passengers stranded by the decision of Air Florida on Tuesday to file for bankruptcy protection from its creditors under Chapter 11 of the US bankruptcy laws.

The immediate effect of the filing was to suspend all Air Florida flights, including those to and from the UK. The next flight into Gatwick, London, was due today.

There was considerable confusion yesterday with no one able or willing to state precisely the immediate situation at Air Florida.

The airline's official statement, issued in Miami late on Tuesday, said that it was hoped to resume flights to the UK as soon as possible. No firm date was given.

Air Florida's DC-10 and other aircraft were reported to be locked in a compound at Miami airport. The airline's last flight out of Gatwick was on Tuesday.

The other airlines flying between London and Florida (British Airways and Pan American from Heathrow and Arrow Air from Gat-

wick) said they were willing to help stranded passengers.

British Airways said that any Air Florida passenger could fly back with BA on a standby basis. Pan American, which carries some Air Florida passengers on "interline" - connecting flight - tickets, said it would honour them. It would also consider on a standby basis passengers who held direct Air Florida tickets.

Arrow Air, which flies to Florida from Gatwick, said it was considering sympathetically any application from Air Florida passengers.

The problem facing Air Florida passengers is that space on other transatlantic flights is scarce because of the inflow of tourists to the UK this summer. Passengers may have to wait some days before getting a flight.

Air Florida is the third major US airline to file under Chapter 11 in recent years, the others being Braniff and Continental. Those two are flying again but on a much scaled-down basis.

Air Florida flew six times a week between Miami and Gatwick but

The Housing Corporation

Results for 1983/84

The annual report and accounts of the Housing Corporation were published on Monday 2 July. The Corporation promotes voluntary, non-profit making associations to provide homes for people in housing need throughout Great Britain.

The report describes the way in which the Housing Corporation encourages, supports and funds associations to meet their main objective of improving the physical condition of the housing stock and directing help to those in greatest need.

For example, in 1983/84, 5% of the programme of older homes in England and Wales was in

improvement areas.

The administration of the

Housing Corporation is funded by

a government grant which in 1983/84 amounted to £13.5 million. It was established in 1964 to fund and

support voluntary and

non-profit making associations to enable housing

associations to borrow up to £87 million from the private sector to supplement public funds for low-cost

home ownership.

Copies of the annual report and accounts are available from:

The Housing Corporation

149 Tottenham Court Road, London W1

In 1983/84, with Housing Corporation funding:

26,869 new and rehabilitated homes for rent were completed and a further 11,022 were sold by housing associations.

30,294 more homes were approved for rent and sale.

And in total:

258,223 homes for rent and sale have been provided by housing associations since the Corporation was set up in 1964.

62,621 homes for rent are now under construction.

The Corporation provided £891.8 million to housing associations in 1983/84, funded mainly from government loans and grants. In 1983/84, the Corporation encouraged associations to enable housing associations to borrow up to £87 million from the private sector to supplement public funds for low-cost home ownership.

Chairman: Sir Hugh Cubitt

Chief Executive: David Edmonds

The gas people—investing in tomorrow's world today

Gas is today's most popular fuel in British homes—and a powerful and growing force in industry, too.

In fact, gas already supplies over a third of all the heat used by British industry.

As this proportion grows, the nation will benefit increasingly from the investment the gas people have been making on behalf of their customers in developing and encouraging more efficient ways to use this premium fuel.

NEW PROCESS PUTS WASTE HEAT TO WORK

All high-temperature industrial processes produce waste heat.

For instance, in some forging furnaces over 70 per cent of the heat is wasted.

So the gas people have developed ways of putting this waste heat to use—notably by employing it to preheat the air in which the gas will burn, or to heat materials to be worked before they enter the furnace.

In this way, reduced fuel demands can create very valuable savings—40 per cent or more in many cases.

The latest and most efficient application of this principle by the gas people is a regenerative ceramic burner which offers even greater fuel savings, since it is capable of using virtually all the heat that would otherwise be wasted.

THE COMPETITION EVERYBODY WINS

Eight years ago, to encourage the efficient use of energy, the gas people introduced their Gas Energy Management awards.

They recognised significant contributions to energy conservation in industry, commerce and public administration.

Since then the cumulative annual savings made by all the entrants



amount to over 100 million therms, enough gas for a fair-sized city.

In this competition, every entrant is a winner—and the nation wins too.

MORE INDUSTRIES TURN TO GAS

According to provisional Government figures for UK energy consumption in 1983 gas increased its share of the industrial market, even though industrial gas consumption fell by 0.3 per cent.

But industry still spent over £1,300 million on gas.

So it is good news, for our customers, and industry's, that businessmen are making more efficient use of gas—spurred on by the Department of Energy's Energy Efficiency Office.

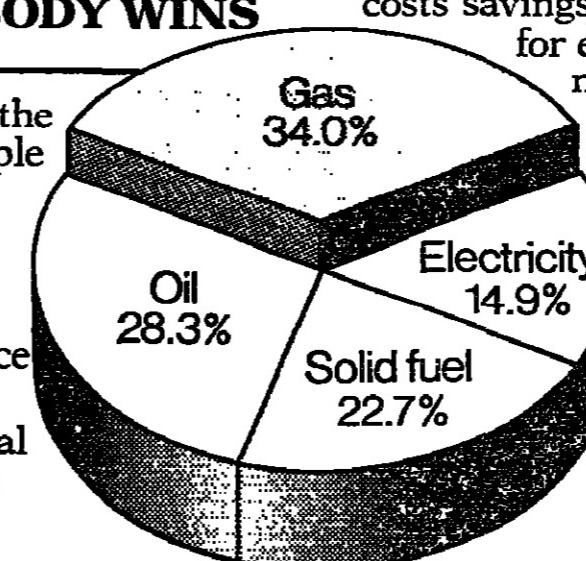
In industry and commerce, the emphasis today is on the more efficient use of fuel and power for greater profit.

The gas people are at the forefront of this trend, through their multi-million pound R and D programme and the technical consultancy services they provide to industrial and commercial customers.

New developments in the more efficient use of gas not only provide obvious benefits in the form of fuel costs savings, but also bring increased opportunities for employment—by making British industry more efficient.

They provide export opportunities and much business in home markets for those companies which are collaborating with British Gas in the development and introduction of the new technologies.

So investment by the gas people on behalf of their customers is paying off in a whole variety of ways—to the nation's benefit.



Britain's got a wonderfuel future!



month because of a serious delay in winning an airworthiness certificate from the US authorities.

Lear Fan plans to reopen the plant by the end of the year if it is still on schedule for certification by February 15.

Management would have preferred to lay off workers so that resumption of work would be achieved smoothly.

The British Government has committed more than £50m to the attempt to produce the aircraft in Northern Ireland, in return for a hoped-for 2,000 jobs.

JOBS COLUMN

Doubt cast on future worth of past success

BY MICHAEL DIXON

IT HAS taken me a month to pluck up courage to quote the claim that follows. I'm nervous of the reaction it will provoke when made. Colin Leicester, who made the Henley management school at the Recruitment Society's recent conference in Bristol. The ensuing silence was seething with bitten-back yells of "Nonsense!"

The claim is that candidates' "track records" which are now given decisive importance in selecting for top managerial jobs, are going to become less and less relevant as a recruitment criterion in future.

"How could we possibly pick the right person to be a senior executive if we didn't go on past performance?" demanded the selection consultant who eventually broke the incredulous quiet.

"That's a question you'll have to find the answer to," Dr Leicester. All he could do as an experienced analyst of employment trends was examine what was happening and report on what he found.

His thesis, based on the manpower strategies of businesses confident of continuing expansion, is that the new top job created in the years ahead will tend to be radically different from most prevailing now. Senior posts will change back towards the conditions of foreign-based managers of the East India Company 200 years ago. They

couldn't chicken out of a hard decision by referring it to headquarters in the UK because it would be more than 18 months before they could get an answer.

Even though communication networks will get still quicker, Dr Leicester thinks managers responsible for making profits will have to be more capable of leading their operation entirely on their own initiative. They will be expected to succeed with far less support from the sort of systems and procedures which bosses of organisations have become so used to depending on that they are often no longer aware of it.

For instance, top people in businesses geared to high technology will not be able to meet their needs of skilled staff by relying on buying them in, pretty well ready to function, from other organisations or the higher reaches of the education service. There is already a world-wide shortage of such skills which education systems will simply be incapable of rectifying in the foreseeable future.

So instead of activating the personnel system to import key specialists from the outside world, executives will more and more need to develop their own. The fact that Japanese and West German businesses already do so may well be a factor in their greater success.

As a result of such changes, Colin Leicester maintained that the abilities needed to succeed in senior jobs in the future would grow more and more removed from—and therefore less and less predictable by—the abilities required by jobs at the same level now. Past managerial records would indeed lose relevance for at least a prolonged period of adjustment to the radically different organisational conditions.

That argument cannot be refuted by demanding to know why other criticism can be relied on for selection, as the consultant did at the conference. There's no sense in going on knocking your head against a brick wall simply because nobody can tell you what to do with your head instead.

It things change in the way predicted, it will be as pointless to keep selecting primarily on past record as it would be to cling to our present way of life if the sun failed to rise tomorrow morning. If no alternative objective criterion was available, it would be better to choose by hunch.

The important question is whether such a radical change will come about. And on that point, ambitious readers with good records behind them will not be cheered by the news that a previous Recruitment Society

conference in 1977 gave an equally incredulous reception to Dr Leicester's forecast of more than 2m unemployed in Britain in the early 80s.

On the other hand, if he's right in what he said about records, the fact that he forecast correctly in the past is no reason for thinking he can do so now.

But then again, if he's right about the irrelevance of previous achievements, he's right about the irrelevance of previous achievements.

Worrying, isn't it?

Finance/pay

A FINANCE director for the international mining division of a £100m-turnover British group is sought by David Thompson of the Odgers consultancy. As he may not name his clients he—like the other headhunters to be mentioned later—promises that any applicant who so asks will not be identified to the employer concerned without further notice.

Responsible to the chief executive of the division for all aspects of its financial management, the recruit will work from the London Midland and travel abroad a good deal.

There will be a small head office team in support, and frequent contacts with the financial chiefs of the numerous sub-

sidiaries in the UK and overseas.

Candidates should be qualified accountants with experience at senior level in an international business. Commercial awareness and skills in the analysis of long-range projects, preferably including acquisitions abroad and at home, are wanted.

Saudi
RECRUITER Bryan Firth (1 Garrick House, Carrington Street, London W1V 7LF; tel 01-580 0321) seeks an evidently rare breed of person experienced not only in credit control but also in collecting payment and the associated legal work. The new credit-cycle manager will be based in Riyadh with Saudi Arabian bank of which 47 per cent is owned by a US finance house.

tax-free salary of about US\$60,000 plus \$34,000 housing allowance and usual expatriate perks.

Cardiff

ACCOUNTANTS with experience of managing a department as well as of salary administration covering numerous countries with a multinational group.

An essential qualification is knowledge of the workings and administration of the full range of reward systems for expatriate staff. Candidates who have gained experience of many management in a variety of organisations, perhaps in the role of a

consultant, will have an advantage. Salary indicator £20,000.

Inquiries to David Thompson at 1 Old Bond Street, London W1X 3TD; telephone 0-493 8811, telex 895499.

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Cornwall c.£14,000+reloc.

Our client, an autonomous mining subsidiary of a leading multinational mineral extractive group, seeks a top flight accountant to assume full accounting responsibility for a newly acquired company.

Reporting directly to the General Manager with reporting lines to the Financial Controller of the parent company, the successful candidate must be aged 26-32, fully qualified, preferably of graduate status and have approximately 2 years p.c.e. in a comparable group.

Prospects within the group are superb, as is the experience on offer.

Please write to Adrian Wheale, ACMA, ACIS, enclosing a comprehensive curriculum vitae, at Michael Page Partnership, St Augustine's Court, 1 St Augustine's Place, Bristol BS1 4XP.



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Any approach will be treated in the very strictest confidence.

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One of the top six independent British stockbrokers wishes to appoint a Senior Executive to manage and develop their international sales and research section.

The firm has a very substantial UK institutional client base with whom a growing volume of international business is conducted. The further development of this area is a high priority and will command considerable resources.

This is a key appointment. The successful candidate must have experience of one or more international markets and combine dynamic business development skills with the ability to motivate and lead other professionals.

An excellent compensation package is offered.

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We are looking for a most unusual person - someone with the rare combination of two skills:-

- Firstly, the demonstrable ability to motivate and manage a team of highly able specialists.
- Secondly, knowledge of the principles governing modern Personal Portfolio Management.

Our clients, the Investment Management arm of a Major Accepting House, have a deep commitment to the Private Client area, and show this publicly by a continuing promotional and marketing effort. The task in front of a successful applicant is to work as the number two to the Director in charge of the Department and, in addition to acting as his alternate, to take charge of the team, and produce both direction for the present and ideas for the future.

We think that a man/woman, probably in their late thirties, with a degree level education and possibly the Stock Exchange qualification, would be ideal; but he/she will have to possess the above qualities. The rewards will be outstanding for anyone who can succeed in this job in terms of both career progress and salary.

Please reply in the first instance to Alex Hurst, Chief Executive, Foster Turner & Benson Ltd, Chancery House, Chancery Lane, London WC2A 1QU. No names will be released to our clients without the applicant's permission.

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They now wish to appoint an experienced and entrepreneurial executive to work within the Corporate Finance Division and generate swap transactions on an international basis. The appointee will have a high degree of discretion and be involved in marketing, structuring of deals, product development, etc.

Candidates who feel they have sufficient experience and drive to meet this challenge should telephone Nick Waterworth on 01-404 5751 (until 7pm this evening) or write to him at Banking and Finance Division, 23 Southampton Place, London WC1A 2BP quoting ref. 3399. Complete discretion assured.



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Reporting directly to the Group Chief Accountant, the position involves the supervision of a small department of mature and able staff and is most likely to appeal to somebody with a financial background seeking a suitable mid career change.

Apply in writing to Box No. A8660
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We seek a versatile Capital Markets professional to lead a significant expansion of investment banking activity for a substantial North European bank. Based in London, this appointment offers unusual scope in what is virtually a 'green-fields' situation.

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- Portfolio management for the bank and its clients.
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An impressive track record in international investment banking, with expertise in all or most of the above areas, is the prime requirement for this post. Of equal importance is the ability to implement entry into new markets and to plan the future direction of investment banking activities. The bank is committed to providing further capital and human resources in order to maintain the expansion of these activities.

The initial salary offered reflects the importance which our client attaches to this key appointment. In addition there is a substantial benefits package including bonus, subsidised mortgage and company car.

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Also, **LENDING OFFICER** required—preferably with experience of Asian clients.

Write Box A8667, Financial Times
10 Cannon Street, London EC4P 4BY

ACCT. MANAGER

This well-known company, involved in the provision of finance for export requirements, is highly motivated to expand to assume control of non-performing accounts mainly in Latin America. Reporting directly to an Executive Director, a high level of administrative competence is required in all aspects of debt collection, which will entail legal and banking knowledge and exposure to ECGD or allied policies. The ability to communicate in Spanish would be an advantage, and candidates should be free to travel overseas.

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Respected U.S. merchant bank seeks a Senior Assistant to the Director to join a team developing and marketing financial services in the Far East. A knowledge of loan syndications, bonds issues, private placements, money market, commercial paper and agency appointments is preferred. Candidates should be graduates, ideally with an accountancy or legal qualification, and will have had a minimum of three years relevant experience in investment/merchant banking, marketing a broad and comprehensive range of products.

PLEASE CONTACT PATRICK FREEMAN

ROBERT HALF BANKING

RH 10 Cannon Street, London EC4P 4BY

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Candidates must be highly qualified in a technological discipline and with a business degree. Age: 27-35.

Must have at least two years' experience in analysing and recommending investments in the field of privately owned high tech companies.

Must be able to monitor the companies in which this investment house has invested.

Must be prepared to become increasingly involved in client meetings and negotiations.

Salary negotiable. A bonus will be paid.

Please write: including a brief CV to Box A8668
Financial Times, 10 Cannon Street, London EC4P 4BY

Director**Commercial & Industrial Development****UNIVERSITY OF LANCASTER**

The University is establishing a Commercial & Industrial Development Bureau and is seeking to appoint a Director who will be concerned with enhancing the University's relations with industry and commerce.

Major areas of activity will include the stimulation of research collaboration and consultancy with industrial and commercial enterprises and the exploitation of in-house expertise, products and services. The Director will also be responsible for relationships with a Business/Science Park shortly to be established on the campus.

The Director will report to the Vice-Chancellor and must be able to work closely with University Departments and Centres, the Management School and existing University Companies. Candidates should have successful industrial and commercial experience. Entrepreneurial and marketing skills will be necessary.

Salary to be negotiated will be within the professorial range. Persons interested should write to the Establishment Office, University House, Bailrigg, Lancaster, LA1 4YW (quoting ref L092) for further particulars. Applications should be sent not later than 20th July 1984.

HEAD OF MARKETING**Leading Company in Financial Information Services**

The company is a major force in the supply of computer-based information and other services to the financial community. It is a subsidiary of a well-known quoted City Group with a number of subsidiaries active in the information, communications and technology fields. The company is expanding its international operations in Europe, North America and the Far East. Growth has been rapid and profits have more than doubled over the past two years. £1.25 million was recently invested in additional computer facilities.

You will be creating a new job. Your initial task will be to carry out a rigorous evaluation of the financial services market (especially the securities industry); to devise appropriate short, medium and long-term product and marketing strategies for existing products in a rapidly changing and increasingly competitive environment; and to propose and help specify new products and assist in their implementation and launch.

You must have a track record of demonstrable success in marketing, particularly product management. You must also know the City well. A good degree is essential. Successful selling experience would be an advantage. Age probably around 30 although we shall be flexible about this. A salary of up to £25,000 is offered with a car and the usual big company benefits.

Your name will not be released until we have briefed you and you have given your consent. Please write to me, Terence Hart Dyke, Consultant to the company.

Business Development Consultants (International) Ltd
63 Mansell Street London E1 8HN

**Corporate Financial Services****International Banking****London & New Zealand**

The Bank of New Zealand is the largest bank in New Zealand with a substantial customer base and a strong international network of branches. A major area of expansion is in merchant banking services and the bank is actively seeking to recruit a small number of high calibre executives in this field for its offices in London and Wellington, New Zealand as follows:-

Senior Executives

There is a requirement for individuals with a background of experience in the capital markets, corporate and project financing, and of handling merger and acquisition assignments. While applicants may currently be specialising in one of these particular fields a good working knowledge of the other disciplines is sought. The requirement is for a proven track record of relevant experience and preferably a professional qualification.

Middle Management Executives

The bank also wishes to appoint executives at middle management level. Experience sought is in the fields outlined above, but perhaps not as extensive and applicants will be aged around 30 years or less. Responsibilities will include corporate relationship management, product development and marketing.

There are openings at both levels in London and New Zealand and a first class international career development path is available. There is an excellent benefits package available including relocation assistance if appropriate.

Those interested should write to Nick Waterworth at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref. 3397, or telephone him on 01-404 5751.



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Birmingham Manchester Leeds Glasgow

Full Management and Marketing Responsibility**- Trade Finance -****Salary £25,000 + benefits**

Our client, a major European Bank is seeking an experienced Trade Finance Banker to establish and manage a trade team at its London branch.

Reporting directly to senior management, the successful applicant will have full management and marketing responsibility for the Bank's trade business in London within an agreed broad, strategic direction.

The individual will currently be employed in a senior capacity at deputy or manager level within a comparable bank environment. Extensive experience of Trade Finance, a good general banking knowledge and a strong creditability are emphasised as critical requirements. A working knowledge of a major European language would be a distinct advantage.

Applicants with an outgoing personality and suitable communicative/management skills, will be offered an attractive salary and benefits package.

Those interested should contact Chris Smith B.A. (Oxon) on 01-404 5751 or alternatively write enclosing a comprehensive curriculum vitae, quoting ref. 3401, to Michael Page Partnership, Banking and Finance Division, 23 Southampton Place, London WC1A 2BP. All applications will be handled in the strictest confidence.



Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

STOCKBROKING**and****BANKING****APPOINTMENTS****APPEAR EVERY****THURSDAY****For more****information call****IRENE NOEL****01-248 5208****or TELEX 885033****CORPORATE PLANNING MANAGER****Package £20,000 + incl. Car**

Chartered Trust plc., one of the country's leading finance houses, is a wholly owned subsidiary of Standard Chartered Bank PLC, Britain's largest independent international bank with assets exceeding £28 billion.

We wish to appoint a Manager for our corporate planning function based at our Head Office in Cardiff.

Responsibilities will include the production of strategic and financial plans and the undertaking of projects and investigations into, for example, new product appraisals and acquisitions. There will also be a substantial involvement in the on-going development of management information and financial appraisal computerised systems.

This challenging opportunity offers excellent career prospects and should appeal to dynamic, highly motivated graduate Chartered Accountants with a minimum of 5 years' post qualification experience, which should include some responsibility for corporate planning. Maturity and good communication skills, both written and spoken, are essential.

A competitive benefits package, which will reflect the experience and potential of the successful candidate, will be offered and will include a subsidised mortgage and a prestige company car. Generous assistance will be offered, where appropriate, to help in relocating to the Cardiff area which offers an excellent choice of coastal, rural and city locations. Please telephone or write, giving brief career details.

Mr. J. A. Roberts, Group Personnel Manager, Chartered Trust plc.,
24/26 Newport Road, Cardiff, CF2 1SR. Tel. Cardiff 494484, extension 2125.



Chartered Trust
A member of
Standard Chartered Bank Group

Treasury Manager**London W1****c.£17,500 plus car.**

initiative and ability to help direct the company's growth are prerequisite.

In addition to salary the company offers a range of benefits including car, bonus, loan facilities and health and life cover.

Please write in the first instance in strict confidence to Christopher S. Bainton, Peat Marwick Mitchell & Co., Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD, stating how you meet the requirements of this position and quoting reference L 5002.

**Company Secretary**

MEPC is a large and progressive property company with major interests in property investment and development in the UK and overseas. Our total assets exceed £114 billion, and we employ more than 500 people in the UK.

The Company Secretary reports to the Managing Director and carries responsibility for the statutory duties of the Company and some 100 UK subsidiaries. You will also be responsible for personnel, including the management of pension schemes, share schemes, property and general insurance and company administration and be supported by a small staff.

The requirement is for secretarial and administration experience in a quoted company, backed by a legal or secretarial qualification. Remuneration is for discussion and is unlikely to be a limiting factor.

Write in confidence to: A.L. Crowe, MEPC plc, Brook House, 113 Park Lane, London W1Y 4AY.

IS YOUR MARKETING EXPERTISE INVESTED WISELY?**Vacancies in banking circa £20,000 + benefits.**

Outstanding opportunities exist for career minded marketing professionals with one of the largest British banking and financial services groups, which is reorganising to extend and deepen its range of services. Based in the City, five management vacancies exist split between the group head office with an emphasis on policy development and co-ordination, and a major banking subsidiary with the emphasis on operations and implementation.

The areas of responsibility are:

Advertising (2 positions; 1 group, 1 subsidiary). A multi-million pound budget, incorporating all aspects of above and below the line advertising.

Product Development and Management (2 positions; 1 group, 1 subsidiary). Key responsibilities

include the evaluation, development, enhancement, and implementation of a wide range of products and services for both the personal and corporate markets.

Market Planning (1 position; subsidiary). Responsible for market research, positioning, pricing and general market planning.

We are looking for lively minded and ambitious people, probably in the 30-40 age range. They should have experience relevant to the vacancies, preferably gained in a financial environment.

Salary will be negotiable, depending upon experience, in the region of £20,000. The benefits package includes: a 2 litre company car, house purchase subsidy, non-contributory pension and free BUPA membership.



Write in confidence, enclosing a full C.V. to:
Recruitment Services Dept. MFT, George Hynes and Partners,
82 Farringdon Street, London EC4A 4BN.

Treasury/Money Market Manager**£30,000+**

This is a challenging opportunity for an already successful Treasury Manager to set up and manage the treasury and money market operations of a financial institution new to the London markets. Initial emphasis will be on trading in futures, swaps, bonds etc., and the prime task will be to fund the asset book. A proven record of consistent profitable trading is more important than any age consideration.

Senior Lending Officer**£30,000**

An outstanding opportunity to join a bank of very considerable international standing in a senior role, with the added ingredient of potential to attain senior management status.

The role of the successful applicant will be heavily biased to the business development function both in the United Kingdom and Continental Europe, involving a heavy travel load. A good knowledge of another European language is essential.

Candidates will be fulfilling a similar role in a well-known international bank, preferably U.S., marketing a full range of banking services.

Accountant/Operations Manager**£30,000**

A newly established investment banking subsidiary of an international bank: wishes to appoint a qualified accountant with strong in-house banking experience gained in a merchant or investment bank over a number of years.

The task of the successful candidate will be to establish accounting and operational systems and to manage the subsequent anticipated expansion which will require good managerial skills and an enquiring mind.

For further details of the above appointments, please contact Richard Meredith on 01-633 1266 or in writing, enclosing an up-to-date C.V. to Jonathan Wren & Company Ltd., 170 Bishopsgate, London EC2M 4LX.

Jonathan Wren
BANKING APPOINTMENTS

INTERNATIONAL**BANKING****CORPORATE FINANCE Neg. £20,000+**

We have a pressing demand from one of the most "aggressive" merchant banks for a young Graduate/qualified A.C.A. who has acquired enough experience. Finance experience - mergers, acquisitions, issues, placements, etc - and now seek increased personal responsibility.

U.K. MARKETING OFFICERS £14,000-£20,000

Potential exists with several major international banks for bankers with a demonstrable record of successful U.K. corporate marketing. Specialist exposure (eg Trade Finance, Property, Leasing) especially sought after.

CREDIT ANALYSIS £9,000-£14,000

The fundamental requirement is thorough, even if relatively brief, credit training and experience; career progress could well be in a marketing direction for those with appropriate aptitude and interest.

QUALIFIED ACCOUNTANTS £12,000-£16,000

2 or 3 opportunities arise for young qualified A.C.A./A.C.C.A.'s to move into international banking, either on the financial or risk lending side. Previous exposure to banking, direct or indirect, would certainly be helpful.

Telephone: John Chiverton, Ann Cassillo or Richard Lovering

**JOHN
CHIVERTON
ASSOCIATES LTD.**

5, CASTLE COURT,
LONDON, EC2
01-623 3861

FUND MANAGER UK Equities c. £20,000 + car + benefits

A major financial services company, based in the city, requires an additional Fund Manager to join its expanding investments team.

Responsibility will be for managing and optimising the market performance of substantial UK equity portfolios of several major segregated funds. The successful candidate will be given considerable personal dealing authority and be assigned a specific market sector.

Candidates, aged 30-45, should have at least 3 years' fund management experience in a successful UK equities operation. Good communication skills are essential and a professional qualification would be desirable — probably the Society of Investment Analysts.

A comprehensive benefits package includes non-contributory pension, free health insurance and subsidised mortgage.

Please write with full details to Box A8669, Financial Times, 10 Cannon Street, London, EC4P 4BY

This appointment is open to men and women.

ELECTRICITY SUPPLY PENSION SCHEME

HEAD OF INVESTMENT RESEARCH

£16,989 to £20,315 p.a.

As a result of promotion, the Electricity Council wishes to appoint a Head of Investment Research, to work on the UK portfolio of the Electricity Supply Pension Scheme. The total value of the Pension Scheme's assets is approximately £3.4bn.

You will lead the Scheme's investment analytical team covering UK stocks and shares and following economic and stock market trends in the UK and, to a lesser extent, overseas. You will be responsible for overseeing the work of investment analysts/dealers and ensuring that standards are maintained at the highest level.

You will be expected to make a significant contribution to investment policy deliberations and to be able to draft reports on a range of investment and related topics.

ELECTRICITY COUNCIL

Marketing Executive Unit Trusts

As one of the largest UK unit trust management companies, Britannia Group of Unit Trusts Limited has a very broad range of investment funds and services. Having developed a substantial marketing division through advertising, direct mail, investment services and seminars, we are seeking an experienced person to join an enthusiastic team in the Private Sector Advisory Department to provide a wide range of marketing and client services and further develop direct marketing to new and existing clients.

Ideally, applicants will have a good educational background and a highly innovative approach, together with effective management skills and the ability to communicate at all levels. They are likely to already hold a managerial position with a major unit trust company or life assurance company or have

gained similar experience with a stockbroker or other financial services company and have a proven track record in the marketing of financial products. Those in the age range 30-40 are likely to have the breadth of experience required.

The position will provide excellent scope for advancement within the Marketing Division and offers a competitive salary plus substantial benefits.

Please write enclosing CV to:-
Richard Price, Director,
Britannia Group of
Unit Trusts Ltd.,
Salisbury House,
29 Finsbury Circus,
London EC2M 5OL.



U.S. Treasury Bond Broker

AN INTERNATIONAL SECURITIES HOUSE REQUIRES A
U.S. T-BOND BROKER FOR THEIR CITY OFFICE

Ideally the applicant should have some experience in U.S. Securities.

Alternatively, experienced brokers in either Foreign Exchange or Eurobonds willing to be trained would be considered.

Salary will be negotiable with the usual fringe benefits. Applicants should apply to the Box Number below enclosing their Curriculum Vitae.

BOX A8671, FINANCIAL TIMES,
10 CANNON STREET, LONDON, EC4P 4BY

HG HOARE GOVETT LIMITED

Fixed Interest Department

Hoare Govett Limited wish to recruit an experienced person to join their Fixed Interest Department.

The Department is in regular contact with both Institutional Fund Managers and potential Borrowers. It provides an up to the minute commentary on Sterling Bond markets working closely with Hoare Govett's Gilt, Eurobond, and Financial Futures Departments.

Experience of Fixed Interest markets is essential, as is the imagination to generate new ideas and the ability to express them well.

The remuneration is negotiable and will reflect the importance of the position. Career prospects are excellent.

Applications, which will be treated in strict confidence, should be sent to:

The Company Secretary,
Hoare Govett Limited,
Heron House, 319/325 High Holborn, London WC1V 7PB.

Corporate Finance Executive

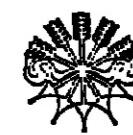
Manchester

Rothschild's busy and expanding Northern Division is seeking an additional Corporate Finance Executive to assist with the increasing volume of activity.

Applicants should have gained at least 2 years' relevant experience in a merchant bank or stockbroker advising public and private companies, and should be graduates. Remuneration will be fully competitive and the company provides excellent employment benefits, including profit-sharing.

Please send a full curriculum vitae, to:
Alan Dean, Director, NM Rothschild & Sons Limited,
3 York Street, Manchester M2 2AW.

NM Rothschild & Sons Limited



STRATEGIC TREASURY MANAGEMENT

to £26,500 + full banking benefits

Our client is the Head Office treasury function of one of the world's largest banking groups. Its treasury division provides global asset and liability management for the entire group from a specialist secretariat which reports directly to the executive board. These positions form part of one of the most exciting developments in treasury and treasury management at the present time.

TREASURY PRODUCT DEVELOPMENT

The role: to provide vital technical support to an ambitious extension of the group's product range within treasury; through advanced analytical and mathematical techniques, build a coherent framework in order to assess new product ideas; control their development; and in particular, provide more exact guidance on pricing and risk management.

The candidate: probably an exceptionally numerate graduate, possibly with the wider vision of an MBA. Ideally he/she should have proven technical knowledge of treasury markets allied to a lively creative flair and good commercial sense. A likely background might be a large US investment bank, or within a department providing 'consultancy' resources to the marketing area of a major international bank, for new products; or within investment management, working with advanced portfolio management techniques.

These positions carry a high basic salary, which is negotiable for exceptional candidates; an excellent banking benefits package including car; the opportunity to influence management at the highest level of a major worldwide organisation; and major career options within a rapidly developing environment in the UK, overseas and other parts of the group.

Interested candidates should contact Kevin Byrne BA on 588 6644 (8.30 am to 7.00 pm today) or submit a detailed curriculum vitae to the address below.

Anderson, Squires, Bank Recruitment Specialists

Blomfield House, 85 London Wall, London EC2

01-588 6644

Anderson, Squires

GROUP ASSET/LIABILITY MANAGEMENT

The role: the development and implementation of a sophisticated strategic planning process for the treasury area across the group's worldwide network. The position particularly involves establishing and interpreting information flows in relation to the group's own and competitors' business; providing a more positive reaction to the economic and business environment; making a major contribution to broadening the intellectual reach of strategic planning within the group.

The candidate: ideally a graduate with at least five years' experience within international banking or finance, or possibly in a similar role in a large multinational company. Candidates should have a strong conceptual understanding of money and financial markets and familiarity with financial modelling in a sophisticated planning or finance function.

These positions carry a high basic salary, which is negotiable for exceptional candidates; an excellent banking benefits package including car; the opportunity to influence management at the highest level of a major worldwide organisation; and major career options within a rapidly developing environment in the UK, overseas and other parts of the group.

This appointment is open to men and women.

CORPORATE FINANCE

£15,000 — £30,000 + Benefits

Because of the high level of demand for their corporate advisory services, a number of our financial institution clients are seeking executives and managers to expand and strengthen their existing teams.

We are handling a number of interesting opportunities at differing levels of seniority and we invite applications from ambitious professionals who are likely to have the following backgrounds:-

- (1) Experienced Corporate Finance Managers and Executives with banking, stockbroking or industrial experience.
- (2) Graduate Chartered Accountants in their mid to late 20s with post-qualification experience in consultancy, investigations or business services.
- (3) Recently qualified Lawyers/MEAs with experience of corporate advisory matters.

To arrange an informal and confidential discussion, please contact Robert Digby, B.A. quoting Ref 6342. No approach will be made to our clients without prior consultation.

Badenoch & Clark

Recruitment Consultants
16-18 New Bridge Street, London EC4V 6AU
Tel: 01-353 1867

General Manager Designate

Bournemouth: c. £30,000 + Car

The Portman Building Society has been established for over 100 years and has assets in excess of £350m. There are 45 branches with a head office in London and administration centre on the South Coast. The present General Manager will retire in August 1985.

The General Manager is responsible to the Board and has executive responsibility for, and the general supervision of, the whole of the Society's activities.

Applicants aged 40 to 50, should be professionally or academically qualified and have wide business and managerial experience at senior executive level. A background in the building society movement or the financial sector would be advantageous.

The excellent benefits package includes car, preferential mortgage facilities and assistance with relocation expenses, where appropriate.

Please write — in confidence — with full details to Ken Orrell ref. B.19357.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,

52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Africa, Australia and Asia Pacific.

HAY-MSL

MANAGEMENT SELECTION

GROUP TAXATION MANAGER-DESIGNATE

MAJOR INSURANCE GROUP
CITY OF LONDON LATE 30s-MID 40s

SALARY c. £25,000 + GENEROUS BENEFITS
A leading insurance and investment group, one of the UK's top 50 companies, this organisation has a significant presence in life business, pensions and general insurance and is active in a number of important markets overseas.

A successor is sought to the Group Taxation Manager who will retire in 1985. The chosen candidate will be:

- A qualified Accountant or ex-Revenue Inspector with Insurance experience;
- An efficient manager of taxation staff;
- A creative thinker, capable of expanding the tax planning role;
- An accomplished communicator, able to deal with fellow professionals and company personnel at all levels.

25% of profits are derived from overseas operations, hence experience of foreign taxation (particularly U.S.) is an important

This post presents an excellent opportunity for an ambitious tax specialist to develop an important area of Group Finance.

The remuneration package, which includes a company car, non-contributory pension, low rate mortgage, profit share and a range of other benefits, reflects the importance of this appointment. Assistance with relocation is available.

Interested candidates should write to Don Leslie at GDC (London) Ltd, 29 Thurlow Street, London, SW7 2LG or telephone him on 01-582 0895 (day)/01-522 6229 (evenings and weekends) quoting ref. A/508. All replies will be treated in strictest confidence.

Gabriel Duffy Consultancy

Accountancy & Taxation Appointments



BANKING PROJECTS - c18K

An experienced project manager is required by a small expanding software house. The ability to deliver services on time on budget to major Banks is the main skill required.

Remuneration is to 18K to include car, non contributory portable pension and profit sharing. Location is North West London.

Reply to Box AS665, Financial Times
10 Cannon Street, London EC4P 4BY

Senior Accounts Opportunity

c£14,500 + car and benefits

1984 sees Allied Unit Trusts Ltd. celebrating its 50th year. As part of the Allied Hambro Group of Companies, it is also one of the oldest, most successful unit trust groups in the U.K. - currently the country's third largest group with funds under management in excess of £1 billion.

A key to this success is the quality of our Administration, based in Shenfield, Essex. As well as all the work resulting from the 26 funds which make up the Allied range of Unit Trusts, the team administers a further 40 Unit Trusts for a number of other companies.

Our continued growth and development has created a new vacancy for a Senior Accountant, based in our Shenfield office, to manage a small team who produce all aspects of the company accounts.

We are looking for a young qualified accountant with experience of producing company accounts, preferably within the financial sector. In addition you will need to have good supervisory experience, the ability to communicate at all levels and the enthusiasm and commitment to work hard to achieve high standards.

In addition to the competitive salary and car, our benefits package includes non-contributory pension, free life assurance, profit sharing and BUPA, plus a generous package to help you relocate, if appropriate.

If you're interested in this opportunity please apply to Gill Davie, Group Personnel Department, Allied Hambro Centre, Swindon SN1 1EL or call her on Swindon (0793) 27812 (24 hour answerphone).

ALLIED UNIT TRUSTS

A member of the Allied Hambro Financial Management Group of Companies



MERCHANT BANKING Baring Brothers & Co., Limited MANAGER FOR PRIVATE CLIENTS' PORTFOLIOS

Barings wishes to appoint a further portfolio manager for the section of the Investment Group that looks after taxed funds. This section, which currently manages over £300 million of assets for more substantial private clients and for Barings' own investment and unit trusts, and also advises offshore clients through Barings' Channel Islands subsidiary, is just one of the growing departments of the Investment Group.

The successful applicant will probably be aged around 30, with a professional qualification and several years' experience of taxed fund management. He (or she) will be expected quickly to assume responsibility for portfolio management and client liaison, and to contribute to the section's new business activities.

Salary is negotiable, and other benefits include mortgage subsidy, non-contributory pension scheme and BUPA membership.

Applicants should write enclosing a c.v. to:

F.A.A. Carnwath,
Director,
Baring Brothers & Co., Limited,
8 Bishopsgate,
London, EC2N 4AE.

We are in the process of recruiting additional personnel for the European Department of County Bank International Investments Division.

There are two positions being offered:-

International Fund Manager

The ideal candidate would have at least two years experience of running funds in European markets and would preferably have at least one language, although this is not essential.

European Analyst/ Trainee Fund Manager

Whilst some experience of European markets would be helpful, it is not essential. The position might appeal to an analyst with specialist knowledge in either Chemical, Pharmaceuticals or Electronics sectors.

Please write in confidence, enclosing a detailed curriculum vitae, which should include current remuneration.

L Carlton,
Personnel Manager,
County Bank Limited,
11 Old Broad Street, London EC2N 1BB.

**COUNTY
BANK**

Top Executives earning over £20,000 a year

Can you afford to waste nearly £2,000 a month in delay? Minster Executive specialises in solving the career problems of top executives. The Minster programme, tailored to your individual needs and managed by two or more partners, is your most effective route to those better offers, 75% of which are never advertised.

Our clients have an impressive record of success; many blue chip companies retain our services in the redeployment of their top people.

Telephone or write for a preliminary discussion without obligation--or cost.

MINSTER EXECUTIVE LTD

28 Bolton Street, London W1Y 8H B. Tel: 01-493 1309 / 1085

Careers in Eurobonds

Salaries £50,000—£80,000

CHIEF DEALER with Major European Merchant Bank

To take control of and develop their Eurobond Dealing Operation. This is a major appointment which offers both autonomy and management responsibility.

SENIOR SALES with International Securities House

As well as experience in the Eurobond Markets, some knowledge of Gilts/Fixed Interest would be an advantage for this top position.

EUROBOND TRADERS AND DEALERS

We have a number of other positions requiring a minimum of one year's experience and offering salaries of c.£20,000—£50,000.

For further details please contact Caroline Baker or Sally Poppleton in complete confidence on 01-481 3188

CHARTERHOUSE APPOINTMENTS

EUROPE CHARTERHOUSE APPOINTMENTS LIMITED
EUROPE CHARTERHOUSE APPOINTMENTS LIMITED
CHARTERHOUSE APPOINTMENTS LIMITED
CHARTERHOUSE APPOINTMENTS LIMITED

Investment Manager

New substantial "in-house"
pension fund portfolio

Around £26,000

North West

This new senior appointment will be particularly attractive to accomplished fund managers who, after at least 5 years' experience handling UK equity and gilt portfolios upwards of £25 million, are ready to start up and run their own operation.

Our client, a major public organisation, has decided to bring up to £100 million of its large, high performance pension fund "in-house". The commitment is to progressively expand this fund although the actual rate of growth will depend on performances.

The management and professional challenge is to create a fund management team from scratch, establish clear policy and procedural guidelines with external fund managers and advisers, and outperform the market with the 'start up' portfolio.

Remuneration for discussion as indicated.

Please write—in confidence—giving full details to John Hodgson ref. B.18267.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
Sovereign House, 12-18 Queen Street, Manchester M2 5HS.

Offices in Europe, the Americas, Africa, Australia and Asia Pacific

HAY-MSL

MANAGEMENT SELECTION

The Career...

Investment Analyst

British Railways Pension Fund whose assets exceed £3 billion, is currently seeking an experienced analyst to join its U.K. equity team.

Applicants should be self-motivated individuals in their mid twenties and should have a university degree or equivalent professional qualification with three to four years' relevant Stock Market experience.

The successful candidate will have responsibility for the fund's investments in a range of U.K. sectors and have the potential to progress to fund management.

Remuneration is negotiable depending on age and experience and includes attractive rail travel benefits. The Board operates a contributory Pension Scheme and the transfer of existing pension rights can, in most cases, be accepted.

Applications, enclosing a full curriculum vitae should be sent to:

The Investment Manager,
British Railways Pension
Trustee Company,
50 Liverpool Street,
London, EC2P 2BD.



... of the age

Cazenove & Co. RESEARCH ANALYST

for FAR EASTERN STOCKMARKETS

Based in Hong Kong

A career opportunity exists for a Research Analyst in Far Eastern Securities in our Hong Kong office.

He/she will be required to visit companies which have good investment potential. Other varied duties will include escorting visiting Fund Managers on company tours.

The position will appeal to an ambitious, single person, aged around 26 with some proven research or accountancy experience. Although not essential, experience of Far Eastern companies would be advantageous.

A negotiable remuneration package, including accommodation is offered.

Apply in writing to:-

The Office Manager,
CAZENOVE & CO.,
12 Tokenhouse Yard, London, EC2R 7AN.

Is it time to expand your experience?

Management Consultancy...

... can give you a range of experience difficult to find anywhere else, working with businesses of all types and sizes in different environments. Assignments may include organisation and management structure reviews; economic studies; value for money reviews; business development reviews; office automation studies and the development of information systems using the full range of modern data processing aids.

We are expanding and require more high calibre accountants. We would expect you to be aged between 26 and 34 with at least three years commercial or industrial experience and a professional qualification or good degree. You should be confident in your own abilities and keen to develop new skills.

We offer competitive salaries, attractive benefits and increasing levels of responsibility with opportunities to work overseas, with appropriate allowances.

If such a career development path interests you please write with relevant details to C H Brown indicating the skills you can bring with you and those you wish to develop. We look forward to hearing from you.

E&W

Ernst & Whinney Management Consultants
Becket House, 1 Lambeth Palace Road, London SE1 7EU

Senior Personnel Professional

The Capital Markets Group of Citicorp is significantly expanding its activities in the UK Financial Services market place. This expansion is being achieved through both internal growth and acquisition.

A seasoned personnel professional is required to join the CMG personnel team. Reporting to the Personnel Director the successful candidate will be responsible for providing a comprehensive personnel service to designated businesses in the Group.

The key objective is to ensure that the group's human resources perform in the most effective way in the attainment of the group's business objectives. This will include advising and assisting senior management in all aspects of personnel matters.

Significant demands will be posed by the diverse and complex nature of the businesses.

Probably a graduate, you will have some 5 to 7 years' broad based

experience in personnel. This will ideally have been gained in the financial services sector; investment banking, commodity trading, stock broking etc. A professional qualification/membership would be an advantage. Business understanding, analytical ability, communication skills, political sensitivity and the personal credibility to influence all levels of management will be necessary attributes.

This is an excellent opportunity to join a successful expanding unit and an attractive compensation package; with the usual bank benefits, will fully reflect your experience and qualifications.

Please write with full personal and career details to Morley J. West, Executive Director, Citicorp International Bank Limited, 335 Strand, London WC2R 1LS.

CITICORP

INTERNATIONAL CAPITAL MARKETS

AUSTRALIA

We are seeking to fill a number of senior positions on behalf of our Australian clients.

Corporate Finance

International Capital Raising

International Bond Trading

Basic salaries range between A\$50,000 and A\$100,000 plus incentive remuneration and housing finance.

Apply in strict confidence to:
Vere Fane or Keith Whitten
Directorship Appointments Limited
London or Sydney
Telephone: (010 61) (2) 223 1569

Directorship Appointments Limited

66 Great Cumberland Place, London W1H 8EP. 01-402 3223
18th Floor, ANZ Building, Sydney 2001, Australia. 612-223 1569

SENIOR ASSISTANT TO DIRECTOR,	Negotiable in INTERNATIONAL FINANCE
Graduate or one with experience or legal qualification with 3-4 years' experience in merchant bank, marketing, financial services or related areas, with some experience in capital markets.	£20,000 p.a. upwards Lata 20%
Experience must include: Loans, syndications, bond placings, placements, money market and foreign exchange activities, securities/corporate services, commercial paper and agency.	
LENDING OFFICER	Negotiable to age 32
Well-known U.K. merchant bank requiring experienced manager for its international operations. Experience in merchant banking, capital markets, financial services and related areas required.	£22,000 p.a.
Experience must include: Loans, syndications, bond placings, placements, money market and foreign exchange activities, securities/corporate services, commercial paper and agency.	
EUROBOND SALES	to £20,000 p.a.
European sales person required with strong, outgoing personality, with experience of selling to U.K. institutions. U.S. dollar strengths and convertible and some yen experience needed.	
JUNIOR LENDING OFFICER	age to 35
Prestigious European bank seeks assistant to lending officer to work on international portfolio. Experience in U.S. dollar and E.C.G.D. credit analysis, loan syndication, placement and agency.	£12,000/£15,000 p.a.
LJC BANKING	
146 Bishopsgate, London EC2M 4JX. 01-377 8600	

Group Pensions Manager

London to £30,000 + car

This highly successful major British organisation's pension scheme has an investment fund totalling some £260 million, including a separate property portfolio, with around 16,800 contributory members and 6,800 pensioners.

Part of the central management team and controlling a 20-strong specialist staff, the Group Pensions Manager will be responsible to the Company Secretary for advising on future pensions policy. You will administer existing policies, be responsible for the funds' accounts and for publishing reports to members, and will monitor the performance of external, professional investment advisers.

Probably aged 35-45, you must be a qualified



PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

and experienced pensions expert, totally familiar with current options and capable of debating your recommendations at the highest level. An extremely competent manager and administrator, you are responsible for a substantial fund or are currently the No 2 in an organisation of a similar size.

Ensuring communications company-wide are handled impeccably is a particular strength of yours.

Salary to the level indicated with appropriate executive benefits provided for the man or woman appointed. Please send full cv which will be forwarded to our client unopened quoting Ref: R2969/FT. (Address to our Security Manager if listing companies to which it should not be sent.)

Assistant Investment Manager

Salary up to £16,000

With total assets approaching £4,000 million, this innovative and progressive Building Society wishes to appoint an Assistant Investment Manager to add strength to the Department managing the Society's cash and investments and raising 'wholesale' money in the London markets. The job holder will report to the Investment Manager and will be expected to contribute to policy in this area of the Society's operations.

The person we are looking for will preferably be aged up to 35 and have a relevant professional qualification and/or degree. Experience in a 'City' environment is desirable. Candidates should possess an outgoing personality together with the ability to communicate both orally and in writing. Drive and initiative are important. A sound understanding of investments including the accounting and taxation aspects will be required.

Salary will be in the range £12,500 - £16,000 depending on age and experience. A comprehensive range of employee benefits including concessionary mortgage facilities and relocation assistance if appropriate will be available.

Please write in confidence to the Personnel Manager, Head Office, Anglia Building Society, Moulton Park, Northampton NN3 1NL.

ANGLIA
BUILDING SOCIETY

TOP CALIBRE PENSIONS MANAGER Who can think independently

The return of Jaguar Cars to independent private ownership will create exciting opportunities in the key area of pensions management.

Major policies and programmes as approved by the Company and the Trustee Boards will require careful planning, consolidation and management and we are seeking a fully experienced pensions professional to fulfil this vital role.

This will specifically involve the provision and control of cost effective pensions administration together with technical services whether these be inhouse or bought out.

The wide ranging brief calls for extensive practical experience covering all aspects of pensions management and you will ideally be a member of the PMI.

The salary and benefit package will fully reflect the importance of this senior appointment and relocation expenses will be covered where appropriate.

Please write, in confidence, with full C.V. including current salary to:

Mr. G. Smith,
Manager, Salaried Personnel,
Jaguar Cars Limited,
Browns Lane,
Aston, Coventry CV5 9DR.
We are an equal opportunity employer.



BUSINESS OPERATIONS ADMINISTRATOR

Intergraph Corporation is a world leader in the interactive computer graphics industry and is currently growing at a rate of 60% annually. We design, develop, sell and maintain state-of-the-art CAD/CAM systems and have achieved a strong position in the European mapping, plant design, construction and mechanical engineering design markets.

To assist us in our expansion plans we are now searching for a Business Operations Administrator for our North European Region. As part of the Management Team, reporting to the Managing Director, you will be responsible for all areas of finance, accounting and administration, including personnel, contract administration and legal matters.

In addition, you will be expected to assist in negotiating contracts, implementing E.D.P. administrative systems, advise on accounting and taxation matters, and be able to communicate effectively with the European Headquarters in Holland.

Candidates will have at least ten years experience in a fast moving and dynamic environment. Prior contract accounting and finance experience and knowledge of computer systems is essential. A knowledge of U.S. accounting standards is also required.

You will be based at Intergraph [Great Britain] Ltd., Headquarters for the Northern Europe Region, which is located in Borehamwood and provides a progressive benefits and salary program. Compensation will be commensurate with experience.

Applicants (male and female) are invited to write in confidence giving career details, age and salary requirements to:

Mr. T. Postlethwaite, Managing Director, Intergraph (GB) Limited, Ashton House, Oxford Street, Newbury, Berkshire RG13 1JG



MERCHANT BANKING Corporate Finance Executives

Several of our Merchant Banking clients wish to expand and strengthen their Corporate Finance Departments. These opportunities are at different levels of seniority and applications are invited from candidates as follows:-

1) Executives aged between 30-35 years with several years Corporate Finance experience within Merchant Banking or Stockbroking.

2) Qualified Chartered Accountants or Solicitors, aged between 25-30 years who have had experience of Mergers, Acquisitions or tax matters.

Please telephone or write enclosing a curriculum vitae to Peter Latham, Jonathan Wren & Company Ltd., 170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266.

Jonathan Wren
BANKING
APPOINTMENTS

ASSISTANT MANAGER TREASURY

£15,000 NEG

American Bank seeks imaginative banker with 4/5 years experience in either Money Market/F.X. Marketing or Trading. The successful candidate will hold a relevant degree and must have an analytical mind to produce market reports together with the confidence to meet prime customers, and enhance team motivation. For further details please call Sandie Robinson on 236 1113 Portman Recruitment Services

FINANCIAL ANALYST

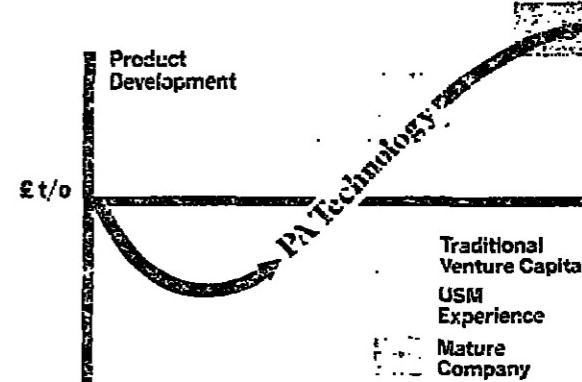
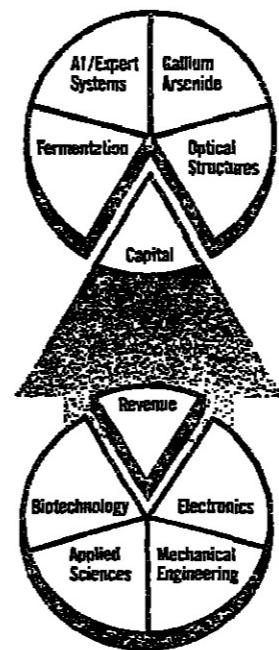
£12,000 NEG

Leading Merchant Bank requires an ambitious graduate who has at least one year's experience of Corporate Credit Analysis, to join their new International Evaluation Department. Working with all forms of Banking Environment you will be expected to assess the risk of existing and potential markets. Age 23+.

Phone Mike Blundell Jones on 236 1113 Portman Recruitment Services

tomorrow's technology ...

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to £30,000

senior management level PA Technology's programme of 'managed innovation', with its implications for organisation and funding. In so doing, you would yourself develop new initiatives for technology and revenue.

These new roles call for: graduates in their late 20s-30s with an upper second or first in electronics, mechanical engineering, the applied or life sciences; possibly an MBA; successful career progression from multidisciplinary development work resulting in products — to a current technical or commercial role, with responsibility for achieving a successful 'fit' between technological innovation and profitable business. This could be in marketing, technical or business management within industry, consultancy or academia. Credibility with colleagues and clients alike is essential.

Career prospects worldwide within the PA Group are excellent. Starting salary package is up to £30,000. Initial location is the PA Technology laboratory at Melbourn, near Cambridge, to where full relocation assistance will be given.



PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

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Management Consultants for



Member of the Hay Group

Part of the worldwide Hay Group, we employ 120 consultants operating from 8 offices in the UK. We work with some 1,000 clients in the public and private sectors. Our consulting approach is to help to improve organisational effectiveness and performance by implementing and managing change. We recognise that management problems overlap specialisations, so our consulting is based on practical experience and a detailed understanding of specific sectors of the economy. Our consulting teams must have knowledge of our clients' businesses as well as producing quality reports and analyses. All our consultants have been successful in their personal development, earnings and career advancement. As a result of our continuing growth, we have opportunities both now and over the next twelve months, for consultants to be based in one of the locations indicated.

Probably in your thirties, you must have a good honours degree and ideally a second degree or professional qualification. You must have wide experience, including line management accountability in one of the sectors listed; and must be able to relate your experience to the commercial and business context of clients. Analytical and communication skills, both oral and written — are important, as is the ability to persuade individuals and groups with facts, reason and understanding. In addition to openings for general management consultants in the service specified, we need: psychologists for assessment, training and development work; actuaries for benefits consulting; and professionals with a production or sales/marketing background in the Midlands.

There is a substantial profit-sharing bonus awarded on company performance, as well as a high base salary and competitive benefits including a company car and GUPA.

Please write with full details to Brian Woodrow, Director, HAY-MSL Management Consultants Group Ltd, 52 Grosvenor Gardens, London SW1W 0AW.

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WANTED: SLIGHTLY USED EXECUTIVES

If you are an able, experienced executive or professional person, yet somehow are not making the most of your potential, perhaps you need a new approach to your career. To learn how 'slightly used' executives have profitably renewed their careers, telephone for a free, confidential appointment — or send us your c.v.

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Manchester: 061 228 0088, Sunway Building, Piccadilly Plaza, Manchester M1 1AE
Newcastle: 041 618861, 15-17 Stamford Rd, Jesmond, NE2 1XA
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URGENTLY REQUIRED

A London-based International Organisation requires Assistant Portfolio Managers in their 20s with experience in the European and Far East Markets.

Good Salary and Benefits.

Candidates should apply with Curriculum Vitae to:
Box A8658, Financial Times
10 Cannon Street, London EC4P 4BY

MANAGED FUND ADMINISTRATION

LONDON

A key role supporting our investment consultancy team.

Due to continued expansion and new product developments, we seek to boost the consultancy team dealing with all aspects of our considerable Managed Funds business.

Your role will be to support the Investment Consultants in such areas as client and intermediary liaison, collating and processing statistical and other data and maintaining close contact with senior planning officers and survey managers as well as internal departments.

The ideal candidate, probably aged 30+, will be familiar with all aspects of Managed Fund administration and have experience of client account management. A background in pensions, investment consulting or broking would be appropriate. A good standard of education and mathematical flair will be sought.

An attractive salary, depending on experience, is supported by a range of benefits including non-contributory pension, flexible working hours and after a qualifying period staff house purchase scheme. Career development prospects are first class.

Please write with full career details to: Nick Morgan, Personnel Officer, Clerical Medical & General Life Assurance Society, 15 St. James's Square, London SW1 4LQ.

Clerical Medical
Life Assurance

Evaluation and Planning Analyst

RTZ Metals Limited is the RTZ holding and management company for a wide range of mining, smelting and associated activities within a sphere of responsibility covering Europe, North Africa and the Middle East. An evaluation and planning analyst is required to join the small head office management team based in the centre of Bristol. The person appointed will be responsible to the finance director for:

- the evaluation of major capital projects
- the preparation of capital proposals
- the co-ordination and compilation of long term strategic plans
- the maintenance of capital expenditure control and long term planning procedures.

The individual sought is a business or economics graduate in his or her late 30's with sound experience of planning and evaluation and ideally with a technical background. Some knowledge of the minerals extraction industry would be an advantage.



a member of
the RTZ Group

Please apply in writing with career details to: P. D. Arnold, Finance Director, RTZ Metals Limited, PO Box 211, 1 Redditch Street, Bristol BS9 7NT.

INVESTMENT ANALYST — PROJECTS

A Major International Investment Institution based in the City seeks an exceptional individual as an Investment Analyst for its Portfolio of direct Investments world-wide.

The successful applicant will be in his/her mid 20's and will have relevant experience gained in Investment Research, Financial Analysis or Project Finance.

The position will involve identifying and analysing the feasibility of major Investments, and the Management of the existing Portfolio of direct Investments. It will involve an element of travel.

Remuneration will fully reflect experience and ability.

Candidates should apply, in confidence detailing experience and current salary.

Write Box A8657, Financial Times, 10 Cannon Street, London, EC4P 4BY.



Executive
Search & Selection
Rosebrook House,
Diss, Norfolk IP22 2JP

Financial Planning Manager

Circa £17,000 + Car

Datapoint is a highly successful, major U.S. computer manufacturer. We now seek an ambitious and self motivated Financial Planning Manager to be based at our European Headquarters in West London. Reporting to the European Controller, you will play a major role in the financial planning and operational control of our subsidiaries in the U.K., Germany, Holland, Switzerland and Austria with particular emphasis on planning, forecasting and statistical analysis. In addition, you will undertake a number of ad-hoc projects, requiring a knowledge of both U.S. and U.K. reporting procedures and asset management.

Candidates should be qualified either as accountants or with an MBA preferably with international experience, have spent at least 3 years in a computer or high technology environment and be fully conversant with computer aided financial tools. Strong personal qualities and excellent communication skills are equally desirable. A second language of either German or Dutch would be advantageous as extensive travel is envisaged within the subsidiaries.

Datapoint offer an attractive salary, car and other large company benefits including relocation assistance where appropriate.

In the first instance, please send your curriculum vitae to our consultant John Attenborough at Melrofield Ltd.

N.M. Rothschild Asset Management Limited

Portfolio Manager- Private Clients

An additional fund manager is required for our rapidly-growing Private Client Department. The successful applicant will have the personality to command the confidence of clients and should be able to demonstrate a successful record of investment performance. A minimum of four years in discretionary management is required. The age range is 26-40.

A high remuneration package is available, and includes a comprehensive range of fringe benefits. Applicants should write giving full details of their career to date, to:

The Personnel Director,
NM Rothschild & Sons Limited,
New Court,
St Swithin's Lane,
London EC4P 4DL.



GROUP TREASURER

Experienced person required in the London area by expanding international group to head up the section responsible for multi-currency cash management, credit control etc. A professional qualification would be an advantage but personal qualities and a proven track record are essential for this challenging position. Salary will be negotiable accordingly and will be attractive to the successful candidate. Benefits include Free Canteen, BUPA Group and non-contributory pension scheme.

Please write with full details and career to date to:

Box A8670, Financial Times
10 Cannon Street, London EC4P 4BY

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Accountancy Appointments

VISNEWS GROUP FINANCIAL CONTROLLER

LONDON

c. £26,000

WORLD'S LARGEST INTERNATIONAL TELEVISION NEWS AGENCY

VISNEWS—a diversified news and communications Group, supplies a daily news service by satellite to over 200 broadcasters around the globe. In addition to a major electronics facilities operation, it also operates the largest news film library in the world and runs, in conjunction with a U.S. Partner, the 'BRIGHT STAR' two way T.V. satellite link across the Atlantic. The above role for our organisation calls for Accountants (C.A., A.C.C.A. or A.C.M.A.), aged 35-45, who have achieved not less than 7 years post qualification experience in commerce or industry and at least 3 years heading the financial operations or as the number 2. Reporting to the Managing Director, this role will involve being a member of the executive team and making a major contribution to strategy and future profitability of the company. Duties will include the direction, control and motivation of an accounting team of 20+, monthly accounting and other financial information, future financial policy, total responsibility for planning, forecasting, budgeting, cash management and providing for further development. Experience of having designed and/or implemented a computerised accounting system is important. Salary negotiable c.£26,000 + car, contributory pension, free life assurance, free family medical cover. Applications in strict confidence to:

Gerry Williams, Personnel Controller

VISNEWS LIMITED
Cumberland Avenue, London NW1 7EH Telephone: 01-965 7733

Financial Controller, Europe

London c. £30,000 + car

This very successful international company is already a leader in its field and enjoys substantial growth prospects. Its worldwide turnover exceeds £1bn of which the European group accounts for nearly a quarter. The Financial Controller, Europe will be a key member of the Head Office team with the prime responsibility for co-ordinating the financial activities and reporting of the European

subsidiaries. Periodic visits to Europe will be necessary. Candidates, aged 35 to 45, must be professionally qualified and have at least five years' experience of international corporate operations at a senior level. Salary is negotiable around £30,000 with a car and benefits.

Please send brief cv, in confidence, to Peter Greenaway, Ref: AA5L/8774/FT.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

GROUP FINANCE-TAX SPECIALIST

London, West End

c.£17,000 + car

Habitat Mothercare, a major and fast-expanding international retail group, wishes to strengthen its Group Finance department by the appointment of a Group Tax Accountant with a broad experience of corporate taxes. You will be responsible for the preparation, review and submission to the Inland Revenue of UK tax computations, year-end accounting for tax in the Group Annual Accounts and subsidiary statutory accounts, group tax planning (UK corporate tax and VAT as well as overseas tax) and other special exercises. Additional experience in trust and personal taxes would be useful as responsibilities will also cover the Group's employee share participation and share option schemes. Candidates should have at least 2/3 years' experience in corporate taxes, preferably from one of the major professional practices. The ability to deal with senior management and to work with minimum supervision is also required.

Interested candidates should write to Don Leslie at GABRIEL DUFFY CONSULTANCY (London) Ltd, 29 Thurloe Street, London SW7 2LQ, or telephone him on 01-581 0895 (day)/01-832 6229 (evening and weekends). All replies will be treated in strictest confidence.

habitat/mothercare

FINANCIAL PLANNER

City Based

c. £15,000 + bonus + car

Over the past three years Bunzl has pursued an aggressive strategy of expansion, involving the acquisition of over twenty companies in the U.K., U.S.A. and Australia and a significant re-orientation of the company's strategic direction, leading to a rapid rate of earnings growth. The key task of the company's small central management team is now to build on the initial success of this approach. Reporting to the Group Strategic Planner, the prime responsibility of the Financial Planner will be to review the financial implications of major acquisition and capital expenditure proposals. The successful candidate will also be part of the small team responsible for the formulation of the Corporate plan and the annual appraisal of Divisional strategic plans and budgets. The two previous holders of this position have been promoted internally within three years of appointment. Applicants should be Graduate Accountants, aged 25-35, with at least two years' post-qualification experience of an analytical nature. A full understanding of acquisition evaluation techniques is essential and previous experience in planning and financial modelling would be an advantage.

Please reply to:
A. S. Knighton, Group Personnel Manager
Bunzl plc, 21-24 Chiswell Street, London EC1Y 4UD

Group Accountant

Belgium US\$32,500

This is a new post at the Antwerp headquarters of a privately owned group whose activities embrace 16 countries. Accountable to the Financial Director, but reporting directly to the MD, he will be responsible for the Group's accounting function. It is expected that selection will be made from Chartered or Certified Accountants under 32 years of age. Experience of computer systems would be an advantage, and a working knowledge of French highly desirable, together with ready acceptance of long hours and some overseas travel. Benefits include relocation, career prospects, profit related bonus, pension scheme, and housing assistance during the settling-in period. Please send cv to Ref: MA 497, Robert Marshall Advertising Limited, 44 Wellington Street, London WC2E 7DJ, or ring 0993-944546 for further details.

Robert Marshall
Advertising Limited



Chief Accountant

North London

c.£16,000 + car

Our client a manufacturing company turnover £10m, division of a quoted group seeks to recruit a well experienced Chief Accountant. Responsible for running an accounts department of ten, the successful applicant will control preparation of budgets, management accounts and year end accounts for submission to Head Office with continuing development of computer systems. Applications are sought from qualified accountants 30-40 with broad accounting and staff management skills.

Applications to A. A. Hammond.



Reginald Welsh & Partners Ltd
ACCOUNTANCY & EXECUTIVE RECRUITMENT CONSULTANTS
123/4 Newgate Street, London, EC1A 7AA. Tel: 01 600 8387
(Associate Offices in America & Nigeria)

MANAGEMENT ACCOUNTANT

Central London

Cable and Wireless, the worldwide telecommunications Group, has recently established its Cables & Submarine Systems Division as an independent and fully accountable business unit.

The Division now require a qualified, ambitious and self-motivated Accountant to head its Management Accounting team, and who can make a positive contribution to the development of the business unit.

Key responsibilities will include the provision of financial guidance to aid implementation of plans and policy for the Division's operational activities, development of business proposals and associated contractual matters. You will also be expected

to contribute to the development and introduction of integrated financial recording and management accounting systems.

Your previous experience will therefore involve management accounting, including a creative role and exposure to commercial considerations in a competitive environment.

Innovation and the skill to communicate effectively at a senior level is essential.

Our demands are high but in return we offer a competitive salary, excellent career opportunities, relocation assistance where necessary and normal large company benefits.

Please send full CV to:
The Recruitment Manager, ref: R259,
Cable and Wireless PLC, Mercury House,
Theobalds Road, London WC1X 8RX.

Cable and Wireless
WE'VE GOT CONNECTIONS

Corporate Tax

We wish to appoint a tax specialist to join our substantial Corporate Tax Department which already includes solicitors, barristers and a chartered accountant.

The successful applicant will advise companies in the UK and overseas on the tax implications of a wide variety of complex commercial transactions. The work is of high quality, demanding and interesting, much of it involving an international element. The Department's activities do not involve computational or compliance work.

Applications are invited from experienced tax practitioners with appropriate legal, accountancy or Inland Revenue backgrounds. Applicants should be able to demonstrate a high level of professional achievement and an ambition to succeed in this growing and important field.

The successful applicant will enjoy a substantial salary, other benefits and good career prospects.

If you would like to be considered, please write with a detailed curriculum vitae to Garth Pollard at

CLIFFORD-TURNER

Blackfriars House, 19 New Bridge Street,
London EC4V 6BY.

Accountancy Appointments

Financial Control

High Technology

c £18,000

For a major communications group operating in the UK and internationally, which continues to grow rapidly in a competitive environment.

Buoyant demand, the research programme and the introduction of new products and services have created an increasing need for improved management information. Working from the centre of the group, your prime role will be project leader for a major costing development programme, supplemented by ad hoc studies. The development phase will call for imagination as well as the practical skills required for implementation. In due course your work should lead to excellent career opportunities within either the corporate centre or operating divisions.

You will be a qualified accountant with substantial management accounting and costing experience, ideally gained with a group operating sophisticated reporting procedures. The base is London, with some UK travel.

Please write in confidence to EH Simpson, quoting ref. SF231, at 10 Bolt Court, London EC4 (telephone 01-583 3911).

Chetwynd Streets

Management Selection Limited

Chief Accountant

Barnard Castle, Co. Durham: £18,500 + car

Glaxo Operations UK Limited is a principal operating company of the Glaxo Group, which is a leading international pharmaceutical Group with a successful research record in many therapeutic areas. Glaxo Operations employs over 4,000 people at a number of locations in the UK. The pharmaceutical factory at Barnard Castle is the company's largest secondary production facility and occupies a 50 acre site in a pleasant location in Teesdale. It employs 1,400 people and manufactures a wide range of ethical pharmaceutical products for both UK and export markets.

Following internal promotion we now wish to appoint a Chief Accountant, who will report to the Factory Manager and be responsible for all financial matters relating to the site. He or she will have a staff of 40 who control the financial and costing systems which are substantially computerised. The company has a heavy investment in modern computer systems and the Chief Accountant will have a major involvement in their future development.

As a member of the senior management team, the Chief Accountant will participate in decisions affecting the overall management and development of the factory where a major capital investment programme is now under way, and will also provide comprehensive management information to fellow managers.

As rigorous financial and accounting control is essential for this major site, we are seeking a high calibre, qualified accountant with a first class educational and professional background, who already has had a successful background in industry.

The company offers an attractive remuneration package and benefits including a company car, profit sharing bonus scheme, non-contributory pension scheme and assistance with relocation where appropriate.

Please write, sending a C.V., or telephone for an application form to: Miss V. A. Waters, Site Personnel Manager,

Glaxo Operations UK Limited

GREENFORD ROAD, GREENFORD, MIDDLESEX. TEL: 01-422 3434, EXT. 3024.

Financial Accountant

c.£16,500

The British National Oil Corporation is one of the world's largest oil traders, marketing over half the total crude oil production from the UK sector of the North Sea. The Corporation also trades substantial volumes of LPG and hydrocarbon products.

Reporting to the Financial Controller, the Financial Accountant is responsible for the management and control of the Corporation's financial records and the production of Corporate accounts.

The successful candidate will be a young qualified accountant with several years post-qualifying experience. Oil industry experience is preferred but not essential.

A salary in the region of £16,500 is offered, together with medical insurance and a first rate pension scheme.

If your qualifications and experience match the requirements for this position send a detailed curriculum vitae to the Personnel Manager, The British National Oil Corporation, 1 Grosvenor Place, London SW1 quoting Ref No. FA/EMC/FT or alternatively telephone 01-235 8020 ext. 254 for an application form.

BNOC

The British National Oil Corporation

ACCOUNTING AND TAXATION MANAGER

**★ SALARY RANGE £11,585 — £15,395 P.A.
★ STAFF MORTGAGE FACILITIES**

The Alliance Building Society is seeking a qualified accountant to manage the Accounting and Taxation Department located at our Head Office in Hove. The Alliance is the eighth largest society in the country with assets approaching £3,000 million.

The main duties of this position will be to research the tax aspects arising from new operations and legislation and to carry out ad hoc investigations. Other responsibilities

will include statutory accounts, tax compliance work and development of financial and accounting systems.

Applicants should be under age 40 and have at least two years relevant post qualifying experience at a senior level. Salary will be in the range £11,585 to £15,395 per annum and other benefits include attractive staff mortgage facilities, an excellent contributory pension scheme and private medical insurance.

Applications supported by full personal and career details, should be submitted to:

David Axon, Personnel Department Manager,
Alliance Building Society, Alliance House, Hove Park, Hove,
East Sussex BN5 7AZ.



Young Chartered Accountant

27 - 30

City

£20,000+

Our clients are a new member firm of the Stock Exchange, with strong capital backing.

They wish to appoint an outstanding young Chartered Accountant to assume full responsibility for the firm's accounting function including the development and implementation of computerised systems, the production and interpretation of periodic financial, management and statutory accounts, and returns to appropriate regulatory bodies. Additional responsibilities will include working closely with the Directors to plan the expansion of the firm in new market sectors.

Candidates will be young graduate Chartered Accountants with 3 years' post qualification experience gained in stockbroking, stockjobbing or other international dealing environment.

This post offers exciting prospects to the right candidate.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref. 2182 to W.L. Tait,
Executive Selection Division.

Touche Ross & Co.

Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011



Finance Director

£35,000 BASIC

City

Age 28-40

Few Chartered Accountants meet the following specifications:

- age 28-40
- demonstrably worth £35,000 plus very substantial fringe benefits
- proven leader at senior management level
- outstanding credit/risk evaluation skills, not necessarily in the City
- sound computer systems experience
- tough, determined and agreeable personality

If you are one of them please contact us immediately. Peat Marwick is acting for a City company, a large and powerful force in a dynamic and rapidly changing business sector.

You can register an interest by writing in confidence to Monica Clancy at Peat, Marwick, Mitchell and Co., Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD, enclosing career details and quoting reference L3964.

PEAT MARWICK

Planning Manager

Central London

£17,500 + bonus + car

A positive commitment to growth has made our client one of the most successful retailing groups in the UK. Due to the promotion of the present incumbent to a Board level appointment, a financial executive is now required for one of their subsidiaries, a major high street fashion chain (turnover in excess of £100 million).

Reporting to the Financial Director, and responsible for a small team, this commercial role will incorporate the preparation and control of group planning, forecasting in the short and long term, performance assessment, cash flow and computer development.

The successful candidate, a graduate accountant (aged 27-32), will have gained previous exposure in a sophisticated marketing environment. Although personality and presence are of paramount importance for this highly visible appointment, some strategic planning experience would be preferable. Assertiveness, acute business acumen and the ability to contribute in a broad sense to corporate development are vital for success within this dynamic group. Career prospects are good and the attractive salary package will include a performance related bonus.

Candidates should write to Nigel Hopkins, FCA, enclosing a comprehensive curriculum vitae, quoting ref. 143, at PO. Box 143, 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

London SW1 — Late 20's-Early 30's

Chief Accountant/ Wine Trade

An old-established firm of wine shippers seek a Chief Accountant who, by degrees, will take over the wide responsibilities of the Financial Director/Company Secretary who retires next year.

A full or part qualification in accountancy is essential together with expert knowledge of computerised accounting systems, but of equal importance is an ability to fit in to a small, busy office and to play a part in the general activities of an extremely friendly but professional and successful firm.

An excellent salary plus bonus is offered with profit participation once Board Status is, in due course, achieved.

Please write in the first instance to Ted Troubridge (ref 558) at Overton Shirley and Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTING CONSULTANTS

ACCOUNTANT

to £16k

Harp Heating, the leading independently controlled domestic heating contractor in the UK (T/O £20m), is looking to fill the position of Accountant. A suitable candidate would be fully qualified with commercial experience aged 30+.

- * who could control and motivate 17 staff
- * be responsible for the timely production of management information, statutory accounts and ensure maintenance of accounting controls.
- * assist in the development of accounting systems (financial and costing)

The successful candidate will report directly to the Chief Accountant and must be able to relate to all levels of personnel outside the accounting function.

For further information and an application form contact:

Mrs Moira Crudglington,
Personnel Manager
Harp Heating
47 Homesdale Road, Bromley BR2 9LF (01-464 6575)

HARP HEATING

Lex MAGAZINE DISTRIBUTORS

Lex
SERVICE

Lex Magazine Distributors are the UK's major carriers of magazines and periodicals, and are a recently acquired subsidiary of Lex Service plc which has a worldwide turnover in excess of £880m.

FINANCE & MARKETING DIRECTOR

£17,000 + CAR

As a result of rapid expansion in the company's activities, a top flight executive is to be appointed to control its crucial future development with particular regard to finance and marketing. The successful applicant will be required to participate actively in the overall management process, with a strong degree of emphasis on developing business strategy.

Suitable applicants, aged under 40, will be currently employed in a senior financial position encompassing a marketing bias, ideally within a service industry. The responsibilities of this position obviously demand a positive, well-balanced approach; the ability to interact successfully with personnel at all levels, and above all an innovative, creative approach to business management.

Contact John Woodcock at Robert Half for further information.

ROBERT HALF
KENSINGTON HOUSE, SUFFOLK STREET,
BIRMINGHAM B1 1LN. 021-643 1663

Finance Director Designate

£20,000 + Car

Our client is an engineering concern, principal subsidiary of a quoted company. Reorganisation within the group has created an exceptional opportunity for the appointment of a Financial Controller with main board potential. Applications are sought from qualified accountants ideally 28-35 with broad costing, management accountancy and leadership skills. Major success in the role will lead to further opportunity to progress into General Management.

Applications to R.J. Welsh.

Reginald Welsh & Partners Ltd
ACCOUNTANCY & EXECUTIVE RECRUITMENT CONSULTANTS
123/4 Newgate Street, London, EC1A 7AA. Tel: 01 600 8387
(Associate Offices in America & Nigeria)



Accountancy Appointments

Financial director

SE Midlands, to £25,000

For a well regarded privately owned group with interests in contracting, property, plant hire and the service sector. Turnover £13m. This is a new post in which you will work closely with the Group MD in developing strategy and in monitoring the group's performance. The job will be wide ranging in its scope but the important initial tasks will be to strengthen financial management throughout the group, to provide the impetus needed to make computer based information systems work for front line managers and to contribute to commercial decisions at main and divisional board level.

You must have a strong background at controller level in financial and management accounting, budgeting, cash and asset management and computers.

Résumés including a daytime telephone number to E.J. Robins, Executive Selection Division, Ref. R214.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

43 Temple Row
Birmingham B2 5JT



Consulting Managing Director

London

c.£30,000 + participation

Our client is a major firm of chartered accountants with a network of regional offices in the UK and associates overseas, and a wide spread of blue-chip and smaller clients. They are now establishing a broadly based management consultancy company, which will provide advice on financial control, systems, communications, corporate planning and marketing.

As Managing Director of this company you will be involved in all aspects of developing the practice including marketing its services; managing assignments; financial control; and recruitment and career development.

Probably in your thirties or forties, you are likely to have a professional qualification in accounting, ideally backed by a business degree. Previous consulting experience at a senior level is essential.

Write in confidence to EH Simpson, quoting ref. S273, at 10 Bolt Court, London EC4 (telephone 01-533 3911).

Chetwynd Streets

Management Selection Limited

Cost and Management Accountant

c.£12,500 — Mid-Surrey

For an ACMA with a couple of years experience in a commercial or manufacturing environment and proven man-management skills, there's something interesting at the mid-Surrey Head Office of this major Group. Their business is providing materials and services to the construction industry. Their name is a household word. And the new Cost and Management Accountant they're seeking will work alongside the present Cost and Management Account prior to taking over his role and responsibilities in a year's time.

That, at least, is the plan and it's a fascinating opportunity for a young, self motivated accountant who is capable of running a small, sophisticated and computerised department.

Salary will start at around £12,500 but, for obvious reasons, should increase considerably next year. There are a full range of company benefits and generous relocation assistance is available if required.

Write with full CV or phone for an application form, stating any companies to which your application may not be sent, to: F.R. Wilcockson, Director. Tel: 01-833 4466 (quoting Ref. 281).

WBH whites bull holmes ltd.
63-66 ST MARTIN'S LANE, LONDON WC1N 4HX

Group Financial Manager — Director Designate

New top job with a thriving manufacturing Group
c.£20,000 plus bonus and car : South East London

This is the senior financial appointment in a private group of companies, turnover around £10 million, which has a good record of profitable growth from its diversified manufacturing operations. The business owes much of its success to sustained investment in modern manufacturing facilities, effective management control, and a committed work-force.

Accountability for all financial and management accounting in the Group will be comprehensive with particular emphasis on the further development of financial planning and control systems and computerisation. Involvement in the management of the business will be total and the successful candidate will be expected to play a full role in determining the future pace and direction of business development. Success will bring a Directorship in about 12 months.

Candidates, age 35 to 45, and seasoned professionals with relevant top level management experience in manufacturing will be able to demonstrate outstanding financial and commercial acumen.

Salary is for discussion around £20,000. Additional benefits include attractive bonus, executive car and generous help with relocation if appropriate.

Please write in confidence — with full career details to John Hodgson ref. B.18286.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited, Sovereign House, 12-18 Queen Street, Manchester M2 5HS.

Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

HAY-MSL

MANAGEMENT SELECTION

Assistant Partnership Secretary ACA-Stockbroking

Age 23-27

c.£16,000 including bonus

Our client, a major firm of stockbrokers, will shortly appoint an assistant who is likely to be a newly qualified ACA. His/her responsibilities will be wide ranging and will include the compilation of financial and management accounts, supervision of the nominal ledger, salaries and company secretarial duties.

The opening offers an outstanding opportunity with distinct career prospects. Candidates should be able to demonstrate a reasonable interest in the financial sector. Initiative and inter-personal skills are essential.

An attractive salary, which will include a bonus element, will be negotiated, but is unlikely to prove a problem for the right candidate.

Please apply to Jock Coutts, Career Plan Ltd., Chichester House, Chichester Rents, Chancery Lane, London, WC2A 1EG, tel: 01-242 5775.

Career plan
LIMITED

Personnel Consultants

Financial Controller

London

c.£20,000

Our client is a medium sized firm of City Solicitors, handling a wide range of private and commercial clients.

Continued expansion has created the need for a Financial Controller to appraise and enhance the finance function. Working closely with the Finance Committee and managing a department of four, the main areas of responsibility will include monthly financial reporting, cash management, budgetary control and computer development.

The successful candidate, will have had considerable experience in a comparable environment and will be able to initiate effective proposals to improve operating efficiency. Technical expertise, the ability to delegate and identify priorities in relation to the commercial management of the firm, are essential qualities.

Candidates should write to Andrew Sales, FCCA, Executive Division, enclosing a comprehensive c.v., quoting ref. 142, at P.O. Box 143, 31 Southampton Row, London WC1B 5HY.

Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

GLC Working for London

Head of Finance Division Transportation & Development Department

This senior appointment has responsibility for the Department's financial management and acts as financial advisor to the Programme Controller and the Departmental Management Board.

At present the main areas of responsibility include assisting with the preparation of annual estimates, and assisting and advising on the allocation and management of resources across the Department's range of programmes, including preparation and monitoring of budgets.

A recognised accountancy qualification such as C.I.P.F.A. is required together with extensive relevant experience, including systems and resource allocation, budgeting, forecasting, financial management, financial forecasting and computer based M.I.S. systems. Applicants must be forceful and effective communicators, capable of establishing good working relationships, with the capacity to offer independent financial advice to management.

Salary: £16,359 - £18,123 inclusive.

The GLC is an equal opportunities employer. We invite applications from women and members of all sections of the community irrespective of their ethnic origin, colour, sexual orientation or disability, who have the necessary attributes to do the job.

For an application form, to be returned by 20th July, write to: GLC Department of Transportation & Development, Room 4548, The County Hall, SE1 7PB or telephone 01-633 7791.

This post is suitable for job sharing

Financial Controller

Co-operative Retail Services is Britain's largest retail Co-operative Society with an annual turnover approaching £1 billion, and plans for substantial future growth.

Retirement has created this outstanding career opportunity, and we are looking for a person, preferably aged between 35-45, with proven experience, and a practical understanding of computer based information systems. A professional qualification, and experience in a retail environment would also be advantageous.

The person appointed will be a key member of the senior management team based at our head office in Manchester, and will be responsible to the Chief Executive for the Society's financial and accounting functions.

A highly competitive remuneration package will reflect the senior level of this appointment.

For further details and application form, please write, in confidence, to:

The Chief Executive Officer
Co-operative Retail Services Ltd
29 Dantzic Street, Manchester M4 4BA



People who care

Our client is a successful, well established company with a turnover of around £3m. and growing fast. The company is engaged in fashion design, manufacture, wholesale and retail. It has recently completed the first phase of an exciting development plan involving the opening of a chain of fashion shops. The rapid growth in business and the need for stringent business planning has highlighted the need to appoint a young Financial Controller to work at Board level reporting to the M.D.

You will be responsible for all financial and company secretarial aspects of the business with particular emphasis on developing computer based management reporting systems and exercising strong financial control.

You will be a qualified accountant with at least 2 years post qualifying experience ideally in industry or commerce, and will be ambitious, committed and commercially aware.

The company offers an attractive remuneration package with excellent career prospects.

Please send detailed C.V. including salary and day time telephone number, quoting Ref. E2012 to W.S. Gilliland Executive Selection Division.

Finance Director

Warwickshire

• c.£22k + car

Our client is a leading national distributor of replacement motor components with over 150 branches in the UK and Europe, and sales in excess of £50m.

A high calibre Finance Director is now sought to assume overall control of an established function, reporting to tight deadlines from several locations including 4 outside the UK mainland.

You will be responsible for formulating and implementing all financial policies and practices but with particular emphasis on upgrading information for senior management, developing financial and branch systems and evaluating major business projects.

Reporting to the Chief Executive you will, as a member of the Executive Committee, play an influential role in all areas relating to the company's

PA Advertising

6 Highfield Road, Edgbaston, Birmingham B15 3DJ.
Tel: 021-454 5791. Telex: 337239

FINANCIAL CONTROLLER

Food Distribution

c.£16,500 + car

The appointment is the senior financial post in the U.K. arm of a major international food group. The company seeks to be the dominant force in its U.K. market sector, and to build further profitable growth from its present base of c.£25 million sales, healthy ratios, and modern and professional management and equipment. The accounts team of 10 is responsible for the provision of normal information and services, all computerised, and the Controller role embraces the Secretariat as well as responsibility for providing a comprehensive and developing accounting function. Applicants, aged 30-35, and professionally qualified, should have run a full accounts department, preferably using micro-computers, and should be ready now to offer a business view from a broad base of accounting know-how. Personal attributes sought in male and female candidates are speed of reaction, integrity and a balanced approach to managing people. Salary negotiable as indicated plus normal benefits. Location South London area.

Candidates chosen for interview will be sent a detailed specification.

Please write, sending c.v. to:

Iain Reid

PERSONNEL SELECTION

Personnel Selection Limited, 46 Drury Lane, Soho, West Midlands B3 1BJ

Telephone: 021-705 7399 or 021-704 2851

Accountancy Appointments

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Financial Director

Yorkshire, to £30,000 + car

A major manufacturer of branded consumer durables with a turnover in excess of £30 million, a first class product range and ambitions to go public within the next 3 to 5 years, requires a high calibre executive to control and develop their finance function. Aged 37-30, candidates, probably graduate ACA's, should have a background in high volume, medium to light manufacturing companies, probably with FMCG, retail or distribution content. Reporting to the M.D., responsibilities will range from computerised systems development to interface with the city and therefore requires a broad based, commercially aware Financial Director appreciative of the many demands of general management and capable of managing the changes as the Company grows in a highly competitive market place. There are excellent future prospects and the client offers a first class remuneration package with profit share. Relocation assistance is available.

P.A. Adderley, Ref: 11559/FT Male or female candidates should telephone in confidence for a Personal History Form 0532-445661, Minerva House, East Parade, LEEDS, LS1 5RX.

R.A. to Chairman
Birmingham
City
£15,000

An excellent and unusual opportunity for a commercially aware young accountant to work on investigations, acquisition appraisals and project analysis for the Chairman of a diverse City group with interests in the UK and overseas. The successful candidate will have an independent approach and should be ready to take on general management responsibility in a subsidiary after two years.

Call Jane Woodward B.A. — Ref: 7921

Business
Analyst
—OB
£14,000

A first step on a defined career path with this major US group. The role involves review and analysis of crucial business areas, utilising the latest computer technology for management information. Analysts, graduate qualified accountants in their mid 20's, prepare aids presentations for senior managers and detailed narratives for profit objectives.

Call Penny Strawson M.A. — Ref: 7886

Corporate
Planning
Analyst
£15,000+
Benefits

As the third member of a high calibre team, the Analyst will present appraisals on business performance, planning, capital expenditure and acquisitions to the Chairman and Executive Directors of this British international. A company car and promotion into a Business management role are possible within a year for the graduate, high calibre Chartered Accountant.

Call Bill Cartwright B.A. — Ref: 8161

Project
Accountant
—OB
£15,000+
Benefits

An unusual role offering a young graduate accountant the opportunity to join this successful US bank. The emphasis is on ad hoc investigations and analysis covering a broad spectrum of the bank's activities, providing the necessary experience for future involvement in a specific function.

Call Ian Gascogne M.A. — Ref: 8106

Personnel Resources

75 GRAY'S INN ROAD, WC1X 8US 01-242 6321

Newly qualified for...

CORPORATE FINANCE

Manchester

This is an excellent opportunity for an ambitious young graduate Chartered Accountant to join the corporate finance department of a well established and prestigious merchant bank. The appointee, in his/her mid 20's, will work closely with a Director and be fully involved in all aspects of the department's activities. Candidates must therefore have the personal qualities to operate effectively at the highest levels and demonstrate a creative and positive approach.

Career prospects are excellent and the salary is backed by benefits including bonus and relocation where necessary.

Interested candidates should contact Brian Marron on 061-236 1553 quoting reference number 4604 or write to him at our Manchester address.

Brook House, Fountain Street,
Manchester M2 2EE.
Tel: 061-236 1553.

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management
Recruitment Consultants



MANAGEMENT ACCOUNTANT

ACMA age 22-27

neg. to £15,000 and benefits

Our Oxford based clients are world leaders in the supply of medical hi-tech equipment. As annual turnover has risen from £7.25m in the last 2 years and staff has doubled, prospects are very exciting.

Reporting to the Finance Manager, the successful candidate will, with adequate support, be responsible for the maintenance of a standard costing system, variance analysis, the control of work-in-progress and a total inventory investment of £8m. Using a Hewlett Packard 3000 system, he or she will account for direct cost of sales c. £14m.

This is a key management position calling for drive, ambition, high work-rate, good interpersonal skills and decisiveness. Benefits include a subsidised canteen, share participation scheme and relocation where appropriate. Please telephone and send your career details swiftly to:

Lynne Attwood, PA to the Managing Director
ACCOUNTANCY APPOINTMENTS EUROPE
1-3 Mortimer Street, London W1N 7RH
Tel: 01-637 5277 ext. 281/282 or Direct 01-580 7695/7739

FINANCIAL ACCOUNTANT (INSURANCE)

25 up. From £12,000 upwards

CA or ACCA as Ass't to Chief Accountant of larger London Market Insurance Co.

All aspects of Fin. Control/returns.

Ins. exp. pref.
Andrew Moore, ACH
Moore & Weeks Ltd.
(Rec. Cons.)
52-57 Mark Lane, EC3
01-431 1865

AUDIT SUPERVISOR

Min. £15,000 (Age 28+)

International Oil Co. wishes to appoint a dynamic Chartered Accountant to take charge of the financial audits of their subsidiaries. Variable travel. Knowledge of foreign languages an asset.

Call Mrs Horner on 036 0642/0488 or send c.v. to:
ARACUS Recruitment
30 Queen St. EC4
(Recruitment consultants)

MERCHANT BANKING AND TRADE FINANCE

JOHNSON MATTHEY BANKERS LIMITED, a British-owned International Merchant Banking Group, have the following opportunities in their City office.

Assistant Manager — Bills and Documentary Credits Department

Responsible to the Departmental Manager for the supervision of a department of approximately 20 staff, this is an excellent career opportunity for someone in their late twenties - early thirties with good administrative and organisational skills, together with several years supervisory experience. Candidates will have experience of all aspects of bills and documentary credit work including ECGD cover, foreign exchange, loans and deposits, ideally gained in international divisions of larger banks. An AIB qualification is essential.

Newly Qualified Accountant — Loans and Advances Department

Liaising closely with our Account Officers, Credit Banking and Securities Department, this position will involve some customer contact. The role is to provide senior technical support to the Bank's Account Officers and the successful candidate will become closely involved in managing and monitoring a wider variety of projects.

Candidates should be recently qualified ACAs/ACCAs in their mid-twenties with a degree, and auditing experience ideally gained in banking or financial services environment.

It is envisaged that both positions will carry salaries well into five figures (to be reviewed in April 1985), highly competitive fringe benefits normally associated with a successful merchant banking group, and progressive career prospects.

Please write with full career details and current salary to: Graham Dunning, Assistant Manager - Personnel, Johnson Matthey Bankers Limited, 5 Lloyds Avenue, London, EC3N 3DB. Telephone 01-481 3181 Ext 360.

JM

JOHNSON MATTHEY BANKERS LIMITED

MARKETING ACCOUNTANT

An excellent career opportunity for a young, commercially aware accountant within a fast moving consumer environment. This household name company offers a broad, commercial role responsible for the marketing activity at Head Office. Working closely with Brand Managers the successful candidate will monitor brand performance, pricing policies and promotional expenditure on both new and existing products and take responsibility for plans and forecasts. Suitable candidates will be energetic, outgoing individuals possessing a recognised accountancy qualification, excellent communication skills and a proven track record, preferably within an FMCG environment.

C. LONDON. Ref: JG

£25,000

HEAD OFFICE ROLE

An ideal introduction to a U.S. multinational for an ambitious, young accountant. This position covers a wide spectrum of activities which include financial and management accounting, analysis and forecasting. Applicants should be qualified, ideally with 1-2 years post qualifying experience. FMCG exposure an advantage. Suitable for candidates looking for a career move which offers involvement, responsibility and prospects.

LONDON. Ref: CW

To £15,000

The Robert Half Accountancy Salary Survey 1984 is now available. Please write or phone for a complimentary copy.

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS
ROMAN HOUSE, WOOD STREET, LONDON
EC2Y 5BA. 01-638 5191

SENIOR MANAGEMENT ACCOUNTANT

Central London

£16,000 p.a. plus Terminal Gratuity

Our Client is undertaking a major Ministry of Defence contract and is seeking a fully qualified experienced Accountant (preferably ACCA) to take overall control and development of the Management Accounting function of this project. Reporting to end, in his absence deputising for the Finance Manager, your key tasks include:

- provision of financial guidance to senior management
- control of budgets
- preparation of business plans and cash flow forecasts
- preparation of regular reports and reviews for the Company and M.O.D. personnel
- cost estimates and feasibility recommendations
- control of costing rates
- development of computerised information in conjunction with the Computer Manager

You will also be required to make occasional overseas visits.

This position is for a 2-3 year renewable contract and carries a competitive remuneration plus Terminal Gratuity.

Please write with full career details quoting Ref 292, or telephone Terry Fuller, Deansgate Management Services, Garrick House, 27/32 King Street, Covent Garden, London WC2E 8DL. Tel: 01-240 9108/9.

DEANSGATE
MANAGEMENT SERVICES

ADVERTISING · SEARCH · SELECTION

MANAGEMENT AND SYSTEMS CONSULTANTS

We are a young and successful company supplying a wide range of consultancy services. Due to continuing expansion we require additional consultants who fit in to either of the following categories:

- 1) Qualified Accountants with extensive experience of financial management.
- 2) Computer Systems Consultants with experience of micro technology.

Please reply to: R. J. PAGE,

GUARDIAN MANAGEMENT SERVICES LTD.,
31 FITZROY SQUARE, LONDON W1P 5HH.

Management Accountant

West End

c £15,000 + car

A privately owned commodity trading group, with significant standing in the Middle East, currently seeks a young newly qualified accountant (preferably an ACA) to assist in the development and strengthening of the finance function.

Reporting to the Group Financial Controller, the successful candidate will be responsible for the provision of annual and monthly management accounts and financial reports for the UK based service company.

Aged around 25, you will have gained experience of computerised accounting techniques and general administrative duties in a fast moving environment; some staff supervisory experience would be an advantage.

Applicants with an outgoing and flexible personality and the required level of technical expertise and accuracy, will find this appointment both challenging and rewarding.

Candidates should write to Don Dav, FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 140, at Michael Page Partnership, PO Box 143, 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership

International Recruitment Consultants

London New York Bristol

Birmingham Manchester Leeds Glasgow

GROUP

FINANCIAL CONTROLLER

To £25,000 + Car

South East

Our client is a small, profitable multinational electronics manufacturer, which has experienced rapid growth since its inception and is planning to go public towards the end of 1984.

Key to the future development of the business is the provision of an effective financial interface between the Board of Directors and Operating Companies by the appointment of a Group Financial Controller.

Applications are invited from Graduate Chartered Accountants aged 34-40 who, since qualifying with a major professional firm, have held senior appointments within a quoted manufacturing organisation. In addition to strong personal presence and communication skills you will have proven experience of management reporting, corporate taxation, consolidations and stock exchange procedures.

This outstanding opportunity will enable the successful candidate to join a general management team in the running of a progressive organisation and will result in a medium term Board appointment.

Please reply in confidence with brief career details or telephone MALCOLM J. HUDSON.

HUDSON SHRIBMAN

The complete financial selection service

College Hill Chambers, 23 College Hill, London EC4R 2RT. Tel: 01 248 7851/8 (24 hours)

Group

Financial Director

West Midlands Circa £20,000+Car

Commitment will be demanded in this Senior Executive role embracing all financial and accounting responsibilities for the Group. The rewards are commensurate and include exceptional career prospects. The Group is a multi-million pound mechanical and electrical services organisation operating on a national basis through decentralised divisional management with ultimate accountability to the Head Office. The immediate requirement is for a forward looking, commercially able qualified accountant between 35 and 45 with the necessary management ability to take increasing responsibilities. Preferred candidates will have previous experience in a contracting environment, a knowledge of external financing and a thorough appreciation of EDP applications together with a positive personality that is results orientated.

OVERTON
MANAGEMENT SELECTION

Applications are welcome
from men and women.
Please send full career and personal details to
John Overton, F.C.A., Overton Management
Selection Limited, Monaco House, Bristol
Street, Birmingham, B5 7AS or telephone
021-622 3838 for an application form, quoting
reference 8/1174/FT.

FINANCIAL DIRECTOR

Aged 32-36

c. £20,000 p.a.

For a high volume retail product manufacturing company which for the first time is expanding its Board to incorporate financial directorship skills. Privately owned and marketing led the company is enjoying on-going growth which is taking their sales through the £10m per annum mark addressing the D.I.Y. and related wooden products market place.

Candidates will probably be Chartered Accountants with a demonstrably successful track record to date gained ideally in a retail orientated manufacturing environment.

Salary is negotiable and need be no bar to application. Benefits are excellent and include relocation assistance to this rural Shropshire area.

Candidates should submit details of age, experience, qualification and current earnings, quoting reference 0624 to:

QMS Recruitment

Quorn House, 6 Princess Road West

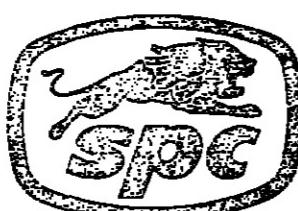
Leicester LE1 6TP

ACCOUNTANCY APPOINTMENTS

APPEAR EVERY THURSDAY

R

International Appointments



HEAD OF MANUFACTURING

Singapore Petroleum Company, an established Singapore-based international oil company engaged in refining, marketing and trading with an annual turnover of over US\$1 billion, seeks to appoint a high calibre person as Head of Manufacturing to direct and co-ordinate its manufacturing operations through proper management of facilities, inventories, personnel and related services.

The successful candidate will assume full responsibilities for the overall manufacturing activities of the company after undergoing a short period of familiarisation. He will report to the President & Chief Executive. As a member of the top management team, the successful candidate will organise, plan and analyse, and review the manufacturing operations, as well as make proper recommendations, to ensure positive contribution to the overall objectives and profitability of the company.

The desired candidate must have a recognised qualification in an engineering discipline, preferably in chemical or mechanical engineering, with at least 10-15 years' experience in the oil refining industry of which at least 5 years in a senior managerial position. In addition to having a proven record of achievement at top management level, the candidate must have sound knowledge of refining operations of medium to high complexity. To perform effectively, the selected candidate must be a highly-motivated and results-oriented person who has initiative, good negotiating skills as well as strong interpersonal and communication skills, with demonstrated ability in making presentations and reports to the Board.

The company is willing to offer an attractive remuneration package commensurate with the qualification and experience of the selected candidate. If he is a non-permanent resident of Singapore, he will be given an appropriate relocation allowance. Other terms of employment will be negotiable with the selected candidate.

Applications to reach:

The Personnel & PR Manager
Singapore Petroleum Co Pte Ltd
P.O. Box 2058
Singapore 9040
no later than July 26th, 1984



البنك العربي المصرفية (ش.ب)
ARAB BANKING CORPORATION (B.S.C.)

International Economists Bahrain based

Already one of the largest Arab banks, ABC continues its rapid expansion in terms of size, product range and geographical spread. In this connection, the Bank seeks to enlarge its Economics Department by the recruitment of a number of additional economists in the areas of country risk and financial market analysis.

Candidates will probably be educated to post graduate level in economics or a related subject and will also have gained several years professional experience relevant to these areas. Some travel is involved and a knowledge of Arabic, French or Spanish, although not essential, would be an asset.

These positions offer the challenge of an expanding work environment and provide the

opportunity to contribute to the expansion of the Bank's in-house and external services. In addition, a very competitive tax free remuneration package is offered, including pension plan, accommodation allowance, air fares and medical and schooling benefits.

Please send a detailed Curriculum Vitae to:

Jonathan Wren International Ltd.
شركة جورنن رن الدولية المحدودة

Banking Consultants, for the attention of Roy Webb, Managing Director, who is advising the Bank in this instance.

170 Bishopsgate, London EC2M 4LX.
Tel: 01-623 1266, telex: 8594673.

MANAGEMENT CONSULTANTS FINANCIAL ACCOUNTING SYSTEMS

We are one of the leading Management Consulting firms in INDIA, executing prestigious assignments in India and several overseas locations. Our specialisations include Strategic Planning, Organisation Review & Design, MIS, Operating Systems & Procedures in all functional areas such as, Production, Marketing, Materials, Finance and Accounts, Costing and Budgeting, Personnel and Administration, etc. We also work in the areas of market research, feasibility reports and computer systems.

For operations in the MIDDLE EAST, we and our affiliated companies now require Consultants, capable of carrying out assignments in Organisation and Systems review and design, in the Financial Accounting, Costing and Budgeting areas, for large manufacturing companies. This will also entail designing and implementing requirements for financial applications on micro and computers including IBM personal computers. Applicants should be professionally qualified Accountants in the age group 30-45, preferably with formal qualifications in Computer Science and atleast 6-7 years experience in Industry/Consultancy, with particular reference to carrying similar assignments. Excellent communication and interviewing skills, and ability to interact effectively at various levels, in a multinational environment, will be essential pre-requisites. The selected candidates will be offered the choice of either working on assignment-to-assignment basis, or on a full-time basis, with a Middle East base.

We offer a very attractive, tax-free remuneration package and excellent facilities of free furnished accommodation and other normal allowances. Interviews will be conducted in UK. Kindly AIRMAIL your CV giving full details of qualifications and experience, major assignments done, current remuneration, etc., citing code CASH/NK/375, to:

ABC CONSULTANTS PRIVATE LIMITED
303, Embassy Centre, Nariman Point, Bombay-400 021, India.

CORPORATE AND FINANCIAL SERVICES

£30,000 per annum

ASSISTANT MANAGER

A diversified financial services company headquartered in Riyadh, Saudi Arabia, wishes to appoint an Assistant Manager.

He will be responsible for providing services for affiliated institutions in Europe and the United States, advising corporate and individual clients on international investment opportunities, including direct investment in real estate, overseas companies, and in marketable securities.

The successful candidate would be required to stay in Riyadh for a minimum period of two years after which attractive career development possibilities will exist with affiliated companies in the USA, Europe, and the United States.

A sound university education or institute of bankers' qualifications together with at least three years experience in credit and marketing with a major international commercial bank, or equivalent experience in merchant or investment banking are desirable qualifications.

A competitive tax-free salary is offered together with free housing, car, medical insurance, regular paid leave, etc. Interviews will take place in London, July 11 to July 19.

Please apply in confidence to Box A865, Financial Times

10 Cannon Street, London EC4P 4BY, England

Tax Free and Benefits

SAUDI ARABIA

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THE ARTS

Book Review

J. W. Lambert

A singularly Victorian success story

Arthur Sullivan:
a Victorian Musician.
by Arthur Jacobs. Oxford, £17.50,
270 pages.

**Sullivan and the
Scott Russells:** a Victorian
love affair told through
the letters of Rachel and
Louise Scott Russell to
Arthur Sullivan 1864-1870
by John Wolfson. A Headline
Book, Packard Publishing
Limited, Chichester, £7.95, 130
pages.

A panorama and a peephowl
in "Arthur Sullivan". Arthur
Jacobs unfolds the most detailed
account of the London-born
bandleader's son who rose by
talent and personal agreeability
to the top of his world; Mr
Wolfson takes six years of
the composer's life (and three
pages of Mr Jacobs' chronicle)
to reveal a complex of family
tangies which the fictions of Ivy
Compton-Burnett or Iris Muir
doch could hardly match.

Born in 1842, Sullivan was
almost entirely Irish, with an
Italian injection three generations
back. There is no evidence.
Mr Jacobs makes clear, for any
Jewish blood, though the claim
was often made during his life-
time, not for Negro strain—
despite his swarthy complexion.

His childhood was happy in
gradually, it always seemed, improving
circumstances. From the
age of eight he was away
from home, but in charge of
schoolmasters who were the
very reverse of Mr Squeers; his
love for his family, like theirs
for him, never failed. Nor did
he leave them behind in his
rapt climb up the social scale.
When his great musical skills
brought him to the attention of
influential people, he knew how
to make use of them; it seems,
by instinct rather than by cal-
culation. And he used them by
no means only to his own advan-
tage: British music and musi-
cians were his constant concern;
his close friendship with the
Duke of Edinburgh of the day
(who was in command of one
of his mother's ships boasted a
complete string quartet among
his officers) worked wonders for
the improvement of musical
education.

Throughout his relatively
brief life—he died, a mere 59,
as the new century began—he
remained a beloved figure of
kindness; not least in his
encouragement of younger com-
posers, as the socially and pro-
fessionally insecure Elgar was
eager to confirm.



Arthur Sullivan: a modest background

So far, so good. But the
Golden Boy was—certainly by
the standards of his day—
gravely flawed. A dreadful
earnestness was in the air—as
indeed it still is: imagine the
consternation if Sir Michael
Tippett, say, who so pleasingly
quoted from *The Yeoman of the
Guard* in his "Sellingen's
Round" Divertimento of 1954,
had followed up *A Child of Our
Time* with the equivalent of
HMS Pinafore (now so gleefully
reassessing itself at Sadler's
Walls).

Any work of art to be "im-
portant" had to be on a large
scale; and worse still, because
the view is still prevalent today
that it had to be solemn. Poor
Sullivan inevitably came to
believe this too; and under
pressure from every quarter
bowed uselessly away at his
"Profound Son", his "Golden
Legend", and, his disconcerting
"Twelfth" even as he knew
of the extravagances for which
even the mighty Viennese critic
Hanlick admired him, holding
him up to the Straussers and
their like as an example to be
followed.

Nobody, in fact, could then
deny the merit of the Savoy
operetas (only when the
middle-class families from
which they were so anxious to
escape went on employing them
did English intellectuals turn
against them). All the same, the
White Hope of British Music
was relentlessly made to feel
that he was Letting the Side
Down—not least by the sort of
young ladies whose correspon-
dence with him in his twenties
makes up Mr Wolfson's absorb-
ing little book, *Sullivan and the
Scott Russells*, and with two of
whom he became excessively
entangled.

Sullivan was 22 when he first
met the Scott Russell family and
its three talented daughters. His
youthful fame and his velvet
eyes, not to mention his evi-
dently strong sexual drive,
worked their spell. Eventually,
but only when marriage was
threatening, he was forbidden
the house ("Want, a protest-
antismus unchristian"). But the
girls were free to visit him in
his Pitักษов room. Then it
appears, they successively gave
them all, meanwhile bom-
barding him with letters yawning
widely from "baby-talk" to
shrieks of despair:

I have torn out my heart and
sent it back to you but I
quiver from head to foot in
every fibre with the pain . . .

Difficult to believe that
Gilbert ever came to know of
all this. Yet much of his lovers'
dialogue might have come
straight from these letters—per-
haps it was common form, like
the yearnings of Shakespeare's
Sonnets.

Unusually for such situations,
Sullivan kept the girls' letters,
while they destroyed his, in
which he seems to have tried
to frighten them off by tales of
his unworthy loose-living—and
lose it certainly was. When not
walking with Kings or helping
the gamblers off to women
ladies even when he had settled
discreetly down, faithful in his
fashion, with an older American
society beauty to whom as the
years passed he took to
referring as Auntie.

Extensive quotation from
Sullivan's newly available
diaries enables Mr Jacobs to
present a picture of what most
would find an undurable life,
even without the kidney-stones
which racked him for weeks on
end with appalling pain, no
doubt exacerbated by frenetic
all-night sessions. It must handle
work.

Mr Jacobs just notes that it
is not at all clear why he kept
the diary at all. Some descriptive
passages during his restless
travels apart, they are bleakly
factual. Musical occasions of
great interest are recorded
mostly without comment,
except the reiterated "wonder-
ful reception" and some mixed
feelings about Wagner. Sexual
congress at various times of day
are noted as though confirming
that he had remembered to take
his medicine, with only an occa-
sional "heavenly night" to remind
one of the sort of special exercise.

Mr Jacobs has sedulously
assembled a prodigious
chronicle, with not much
musical assessment (and no
music type), of Sullivan's dis-
tracted life amid the increas-
ingly weird Victorian scene. Mr
Wolfson putting a corner of it
under a microscope, has with
admirable illustrations and
through the letters of two ladies
which evidently brought to alarm
life a family and its fortunes
whose talents would today
put most such middle-class
groups to shame, and whose
emotional excesses make
current libertarian postures
look even less convincing than
most of them are.



Robert East (left), Nina Thomas and Ian Ogilvy: the binding of the academic and literary world

The Common Pursuit/Lyric Hammersmith

Michael Coveney

Andrew Lloyd Webber took
his latest title from Elgar, so
there seems no good reason why
Simon Gray should not take
his from F. R. Leavis. English
academics when successful
become national heroes; English
writers when respectable
become teachers.

In fact, the Leavisites title is
an ironic comment on the lack
of rigour in the lives of a close-
knit bunch of middle-class
Cambridge graduates of the
mid-1960s, first seen frolicking
to Wagner in the sunlit Trinity
rooms of Stuart (Nicholas Le
Prevost) and laying spirited
plans for a panzer division
assault on the metropolitan
literary scene.

How high and how low these
people aim is part of Simon
Gray's acidulous intention: the
world of Green Street lunches,
the French pub, unpaid prestige
in literary magazines nobody
reads. The key point is that
Stuart has some sort of career
between Oxford domesticity and
random sex littered with the

manufacture of complicated
alibis and coffee table books;
and the doomed Northerner
Humphry (Clive Francis) who
graduates from moral sciences
to Moral Tutor and a grisly fate.

The binding of the academic
and literary world is skillfully
counterpointed with the emotional
appeal. It is aimed really at a sort of clapped out

Orbidge literature or humani-
ties graduate of the middle
1960s who touts his way around
Soho and Fleet Street.

And I smell a little gunfire
on the subject of a balding
portly poet referred to as
"Nappies" who ends up in the
job Nick wanted merely be-
cause the Sunday Times is impressed
by his lack of qualifications. The after-taste is
bitter. I did not, in fact, enjoy
any of it very much. But Mr
Pinter has elicited some quite
astonishingly subtle and un-
expected performances from
Messrs Ogilvy, Williams and
Francis.

Capricorn/Almeida Festival

Max Loppert

Russian composers of this
century, with the obvious exception
of Rachmaninov, Prokofiev,
and Shostakovich (and, one
should also say, Stravinsky), are
little known and less played in
the West. Tuesday's successful
chamber concert by Capricorn
of 20th century Russians living
and dead followed on the
Almeida Festival's Shnitke pro-
gramme, and was a further
exercise in filling gaps, even if
(inevitably) ever so slightly.
While conclusive points cannot
and should not be drawn from
the evidence, one is immensely
grateful for the chance to
examine it even so.

The living were Shnitke again
(represented this time by a
heavily lively Serenade, in
mock-anarchic pseudo-

materialist style for five players
(including a percussionist),
Edison Denisov, and Sofia
Gubaidulina. Quite some
figures all three, now in their
50s—the younger generations
of Soviet composers are
evidently even more heavily
shrouded in mystery. For
Denisov's tasteful, finely
shaded, rather bloodless absorptions
of serial procedures and other
"advanced" techniques there
was a brief vogue in the
West some while back. A
promised new work having
failed to materialise, we heard
instead his *Romantic Music*
(1968), in which oboe and harp
promote gently angular dia-
logue against stolidium
in a setting two, and Two
Places (1973), tiny well-made
chromatic doodles, for three instruments.

A point that Shnitke and
Denisov seem to reinforce is
that those Soviet composers
are bold and adventurous enough to
refuse the constraints of produc-
ting People's Music face a
difficulty of an opposite and
equal kind—that of discovering
for themselves some form of
individual stylistic consistency.

Gubaidulina's *Border of Love*
and *Joy for flute, viola, and
harp* threads a delicate tapestry
of post-Ravelian sounds and
figures—but wildly contradicts
its implicit mood and atmos-
phere by intermittently intro-
ducing dreadful bursts of a
German poem by Francisco
Tanner (bravely spoken here by
Julian Jacobson).

The dead were Popov (1904-
72) and Repetov (1880-1944),
both noted in the history books
as experimenters with style and
form in the exhilarating period
of post-Revolutionary freedom
before the Stalinist clampdown.
Repetov's *Nocturne* (oboe, harp, string
trio, 1913) reconciles, not
quite successfully, the worlds
of Skryabin, Schoenberg, and
Debussy. Gabriel Popov's
Septet (1926-27) was perhaps
the discovery of the occasion—
though it too summons
obvious influences (Milhaud,
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Carousel/Royal Exchange

Martin Hoyle

Rouged and epicene, the ring-
master cracks his whip. Circus
girl mingle with the 19th century
New Englanders whose
story is to unfold. In our first
taste of Jeremy Sam's musical
arrangement for seven players
the Carousel Waltz, accordion
and xylophone much in evidence,
comes a faintly mid-European tang
that recalls the story's Hungarian original.

If Rodgers and Hammerstein
approach can be reduced in scale I can't
imagine it done better than this.
Carousel's relative intimacy in-
spires a sense of unaffected
sweetness in such numbers as
"When I marry Mr Snow",
"What's the use of wondering",
and "When the children are asleep".
Stephen Pimlott's direction at the Royal Exchange,
Manchester, underlines individual dramas in a small-town
setting. Only once did I long for the opulent surge of a big
theatre band.

This was during "If I loved
you," though conversely the in-
timate performance revealed
the song's high-precision craftsmanship.
Admirably restrained with such a copper-bottomed
hit, Richard Rogers fashioned
the piece into a mini-music
drama with accompanied
solos and dialogues, and
within convincing limits.
The energy and brightness
of his four movements
though it too summons
obvious influences (Milhaud,
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FINANCIAL TIMES

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Thursday July 5 1984

Living with a strong dollar

THE RELATIVE calm afforded by Independence Day, when U.S. markets are closed, preceded by a firmer tone on Wall Street, is a good opportunity to reflect a little about the oblique strength of the dollar. Intermediaries, soon became a market which could move funds on sufficient scale to overwhelm even the stoutest of institutions. Exchange rates now float, and capital is very mobile.

The exchange rate is no longer an instrument of adjustment, but a market price. Hence countries which require to run large surpluses in traded goods — to pay for raw materials, or finance large capital exports — get an exchange rate which facilitates this. Any divergence would create strain. Hence, for example, the persistent "undervaluation" of the Japanese yen. Countries which, on the other hand, are exporters of commodities, and which attract foreign capital readily, live quite happily with large deficits on manufactures. They tend to have stably "overvalued" currencies.

Given this set of rules, it is not very interesting to ask: "How long can the dollar stay up?" We must go to fundamentalists and ask: "How long will the U.S. economy allow foreign investment?" Once the question is cast in this form, it ceases to be at all surprising that this rich, dynamic and highly adaptable economy, strong and secure, should be such a magnet for world savings, and is likely to remain so for some time. Very old readers may remember that something similar happened to sterling about the turn of the century. It took two world wars to make us competitive again.

What those wars did was to wipe out the foreign capital we had accumulated as a world technical and financial leader. In the end, of course, sustained deficits can do the same; hence Mr Paul Volcker's warnings that the U.S. could become a net debtor. A large slice of U.S. assets — banks' claims on developing countries — now look shaky; hence the inhibition on Fed efforts to stabilise the U.S. economy, and the surprising strength of demand, which enlarges the current deficit. Thus time's revenge on the U.S. may be accelerated peacefully. Until then, the dollar is quite likely to remain "high."

Floating rates

These may have been sensible rules, and certainly the world prospered under them; but they do not reflect any natural law which operates in other than the very long run. We make daily use of communications satellites which disprove (except in the very long run) that what goes up must come down. We have yet to get used to the idea of an entire economy going into orbit for a period.

The development of the Euro-markets and of floating interest rate financing altered the ground rules of foreign exchange out of recognition. What started as an ingenious exercise in cost reduction, avoid-

If THE Government gets its way, the Greater London Council will disappear in 1986. That will not mean the end of democracy for Londoners because they will continue to elect local borough councillors. But it will make London, with a population of 7m and a budget which exceeds many national budgets, one of the few major cities in the developed world without a city-wide government.

The proposal to abolish the GLC along with six metropolitan counties elsewhere in Britain, was slipped into last year's Tory manifesto in the expectation that it would be highly popular.

Instead, the process of abolition is becoming a huge embarrassment for the Government-Circus alliances have been forged between peers from the backwoods and Labour MPs pledged to fight abolition. The Prime Minister has even managed to make something of a hero of Mr Ken Livingstone, the GLC leader who was regarded as dangerously Left-wing by many Londoners in the months after he took over the council in 1981.

Given the entrenched interests of the pro- and anti-abolition sides, there has been little opportunity to assess the arguments dispassionately. Pitting Mr Livingstone's wit against Mr Patrick Jekin, the hapless Environment Secretary, as happened in a broadcast debate recently, is certainly entertaining, but it scarcely helps the thinking Londoner decide whether or not the GLC should survive.

Stripped of the rhetoric, what first is the case against the GLC. Broadly it is that it has powers, but it does not have enough to do and that much of what is done could be done more cheaply by central government or by individual boroughs. Moreover, according to the critics, the GLC has also strayed into areas which do not concern it (Northern Ireland) and has been much too fond of cherrypicking the Metropolitan Board of Works, one of whose first tasks was to build a city-wide sewer network. More than anything, it was this heavy weight of international machinery. Current accounts were expected to balance, taking one year with another, deficits were difficult to finance, and devaluation was the recommended cure in obstinate cases.

The case for the GLC, in essence, is that a capital city like London needs an "umbrella" council to provide

Little opportunity to assess the arguments dispassionately

a range of city-wide services—from waste disposal to the fire service—and to be responsible for planning, and overseeing, the future development of the 610 square mile Greater London region.

Moreover, this argument runs, there is a sound political case for having this body elected and not appointed by the boroughs making up the Greater London area. GLC supporters say an elected council, independent of these boroughs, is much better placed to stand up to competing claims from lobbies within the individual boroughs.

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ECONOMIC VIEWPOINT

'The coming capacity crunch'

By Samuel Brittan

THERE is always some limit to how far or how fast output can rise in a recovery or boom; and if anyone pushes too hard on these limits the result shows itself first in an inflationary pressure and then in an economic "stop" of some kind.

For most of the post-war period in most industrial countries the effective constraint was in the labour market. If expansion was pushed too quickly the result was wage inflation, and, if financial policy was sufficiently accommodating, a wage/price spiral.

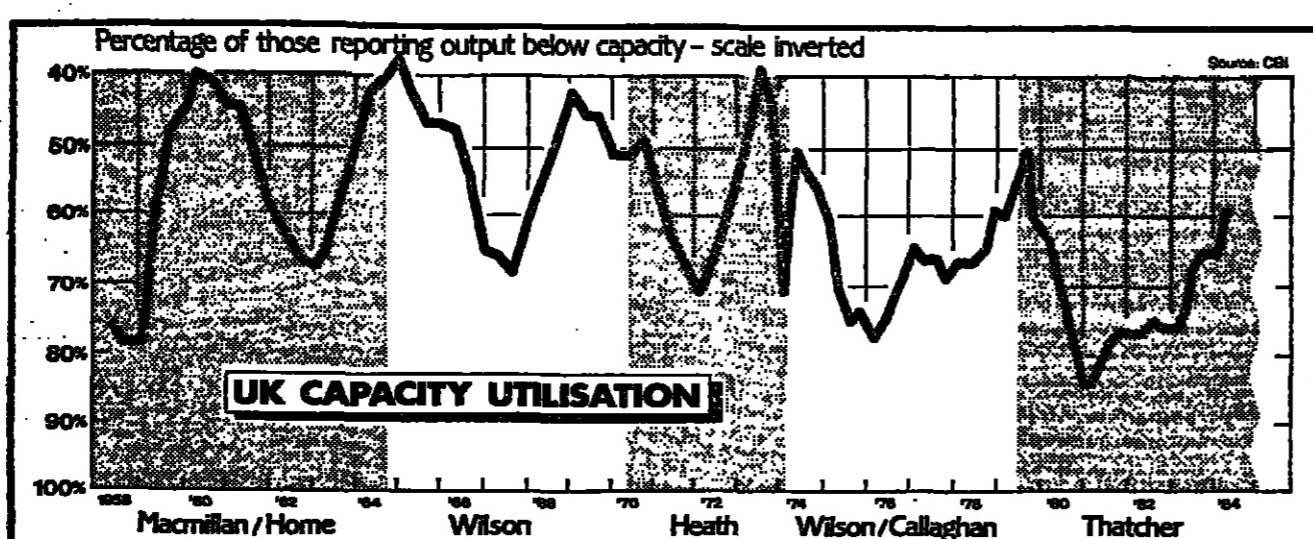
There are now signs on both sides of the Atlantic that a new constraint has emerged, that the main brake on expansion is no longer labour but capacity of all kinds. This has serious implications. For it means that an effective output limit might be reached while there are still many unemployed workers, and if it will require a slow haul in terms of the long-term growth of capacity before high employment can be restored.

These output constraints should not be seen in purely physical terms. When the operative constraint was the labour market, it did not mean that there were no unemployed people left at the height of a boom. Given union power, and other labour market mismatches and imperfections, wage inflation could start to rise, as it did in the UK in 1977-79, when unemployment was over 1.8m.

Similarly a capacity constraint does not mean absence of factories or service facilities with physical space for producing more. It means a shortage of capacity relevant to current technology and market demand and which it is profitable to bring into operation at current levels of wages and material costs.

Evidence of "the coming crunch in capacity utilisation" comes from both sides of the Atlantic. These words have in fact been used as the title of a recent paper by Morgan Stanley of New York. The alleged crunch is being brought about by two forces. Manufacturing output has been growing faster than in previous recoveries; but capacity has been rising more slowly thanks to a decade of sluggish capital spending.

The Federal Reserve's official capacity utilisation index reached 81.7 per cent in May,



just below the magic 82 per cent figure believed by some U.S. economists to be the rate at which inflation takes off. Adjusting for age, Morgan Stanley believes that the figure should be corrected upwards to 87 per cent.

Investment flows into the U.S. have kept the dollar high and rising despite a large upsurge in imports, and the latter has reduced the pressures on domestic capacity. But there is a limit to the size of the current payments deficit—no wapping which \$100bn per annum—which even the U.S. will be able to finance indefinitely.

A valid reason for scepticism is that the estimates relate only to manufacturing industry—capacity is much more difficult to measure in services. But manufacturing is still about a quarter of the U.S. and Euro-pean economies.

The U.S. capacity constraint may eventually cure itself. Industrial investment is rising by 20 per cent per annum, despite high interest rates, and the fears that the budget deficit would crowd it out. Such a constraint is more surprising in Britain, where economic recovery, so far from being especially rapid, is rather slow by past standards. But if it exists it is likely to be deep and more difficult to eradicate than in the U.S.

In the UK the first intimation of a capacity constraint appeared in the debate on the Budget in April. The first intimation of a capacity constraint appeared in the mix of products in which

documents in March. The Treasury envisages an average growth rate of 2½ per cent over the period 1983-85—or 2½ per cent excluding North Sea oil, which may be running down.

For the 1980s the Treasury had alternative projections of 1½ to 2 per cent given in the Public Expenditure White Paper.

Although better than in the past decade, some commentators—myself included—were depressed that these growth rates were inadequate to make major inroads into unemployment, especially if productivity continued to rise rapidly. Yet the London Business School in its April Forecast Release, contested the projections from the opposite point of view, saying:

"Over the medium-term we would not expect growth much in excess of 1½ per cent per annum." The LBS added that "the growth potential of the UK economy is limited, not by the labour supply but by the stock of economically viable capital."

Examination of the CBI Trends Survey does give point to the warning. It is true that 59 per cent of the firms questioned said that they were working below a satisfactory full rate of operation. This may seem a low rate until it is remembered that most firms think that they could produce more from existing plant—and no doubt they could if extra demand came for the mix of products in which

they specialise. Even at the height of past inflationary booms, such as the Heath-Barber one of 1972-73, nearly 40 per cent of firms thought they were working below capacity.

As the chart shows, the recent survey represents by historical standards a moderately high rate of utilisation. This is quite remarkable when recovery has still—one hopes—some way to go, and when, on the basis of official forecasts, real GDP in 1984 will be only 4 per cent above its 1979 peak and manufacturing output will be 10 per cent below. In contrast to the U.S., unemployment has continued to rise throughout the recovery and total employment has only just levelled off. So there seems a big discrepancy between reserves of unused labour and reserves of economic capacity.

Another question asked by the CBI is about factors likely to limit production. Five quarters after the trough in manufacturing output, some 14 per cent of respondents listed "plant capacity" as a factor. This is still quite modest; but it represents a rise of 10 per cent from the recession bottom. It is already as high as it was in the corresponding period of the 1975-76 recovery even though unemployment is more than twice as great.

The CBI adds in its May Economic Situation Report:

"There is also some suggestion that the variations in capacity

utilisation between industries have widened since the recession, so that the average may be disguising considerable differences in individual experience."

Some work done at the University of Sussex Science Policy Research Unit by Luc Soete and others suggests that the increase in capacity shortage relative to the UK, but is present in most of Europe. They also produce estimates suggesting that technical progress in most industries in recent decades has been labour-saving but capital using. In other words, very large increases both in capital expenditure and on total output may be required to maintain existing employment.

There are two reasons for taking a slightly more optimistic view. One is that Soete's work, like the other studies cited, is based on manufacturing. Service employment might be able to expand without quite such large additional resources as capacity.

The second consolation is

provided by Soete's own conclusion that electronics, unlike other industries, has shown dramatic growth in capital as well as labour productivity; and this may provide a source of growth, not only for electronics but other trades affected by the computer revolution.

There are not many ideological goals to be scored in the capacity debate. One side will say that capacity shortages are due to excessive scrapping of capital and labour.

brought about by the recession. The other side will say that most of this equipment was becoming obsolete anyway, and attribute part of the blame for inadequate or unduly labour saving investment to high labour costs.

A more immediate question is: how does capacity shortage show itself in practice? Under the old-fashioned post-war rules, where governments had goals for output and employment, a capacity constraint would show itself in a tendency to accelerate inflation. Under a more modern policy regime, where governments try to control nominal spending over-optimism about capacity shows itself in output growing more slowly than expected and inflation settling slightly higher, but not accelerating.

An example will make this clear. Suppose a modern-style strategy provides for a growth of nominal GDP of 8 per cent per annum, some 3 per cent of which is to be devoted to higher output and 5 per cent will represent inflation. If the government is over-optimistic about capacity, then once the recession slack has been absorbed output might grow, say, at only 2 per cent and inflation will be 6 per cent. The Treasury can then accept 6 per cent inflation or revise its nominal GDP objective down to 7 per cent, which would be consistent with 5 per cent inflation. (I have used the Treasury's 1984 arithmetic for illustration and abstracted from its desire to reduce future inflation. But there may still be enough slack to avoid reaching a capacity limit until 1985 or 1986.)

If labour is surplus and capital in short supply, there will be no nominal long-run market forces making it profitable to introduce more capital. These only work if the relative price of labour and capital—wages and interest, or profits—are allowed to move reasonably freely. This is more likely in the U.S. and Japan than in Europe, where a high-wage, low-employment mentality is an obstacle to progress. If market pressures require an increase in profits relative to wages, adverse distributional consequences are best taken care of by direct measures to widen the ownership of capital rather than by interfering with movements in the relative prices of capital and labour.

Lombard

High cost of not playing the game

By Anthony Harris

BY ONE of those happy accidents of timing which suggest the presence of a good fairy at the christening, the new Centre for Economic Policy Research (an academic fairy godmother of a kind, with back-door connections to Chatham House) held its first international conference just after the European summit had finally laid the British budget nuisance to rest. Its theme: policy coordination. Its conclusion: coordination would pay off players—indeed, it is difficult to sustain it, inasmuch as it is impossible if partners—opponents—who are individually too small to impose any hurtful counter-measures.

Heads of state and finance ministers can fly to Washington with their grumblings in an endless relay, and it makes no difference.

Blackmail

The EEC as a whole, is big enough to make credible threats. It might say, for example, that if you do not do something about your deficit, and stop diverting all our savings overseas, we will form a two-tier financial market, or impose an import substitution tax—do something in short, which would simultaneously undermine the dollar by impeding the flow-back of deficit dollars, and force U.S. interest rates still higher. Then the U.S. might find it domestically more advantageous to make policy co-operatively, taking account of the interests of outsiders.

The sermon does not sound so moral any more; it sounds more like blackmail in the early stages. Rules are also suggested for ensuring that threats are credible. They must threaten self-interested action, so that the probability of their being carried out seems high—nothing of the hunger-strike, or if-you-go-on-like-this-I'll-shoot-myself go-on-like-this-I'll-shoot-myself variety. And if the worst comes to the worst, they must be carried out. No U-turns. (For students of the jargon, this branch of strategy is known to professionals as the time-consistency problem.)

Tough talk in a phrase; but perhaps the more persuasive for that.

Chess

Games theory, as you are no doubt aware, is a branch of learning which studies bargaining situations and power plays. It involves, just as a game of chess does, the idea that any move one player makes will elicit a counter-move. In chess the aim is to make effective counters impossible; it is a winner-takes-all game. Economic co-operation, on the other hand, ought to be a game at which both sides can win. Why, then, do we often play it as if it were chess?

By deploying some mathematics far above the head of this reporter, the conference agreed on some answers (which cynics may well regard as news in itself, since the participants were economists). Very crudely, co-operation can be secured only under some kind of threat. As in other games, a player who cheats will gain if he is allowed to get away with it. If, however, he is convinced that he will not

U.S. policy and recovery

From the Group Economic Adviser, Barclays Bank

Sir.—The aim of my letter (June 28) was not to deny that fiscal policy has contributed to the American upturn but to suggest that it was not "ridiculous" to argue that other factors have been equally if not more important. Even after the tax reductions of 1981 and 1982, most forecasters underestimated the strength of the U.S. recovery. For example, in December 1982 the OECD forecast that real American gdp in the first half of 1983 would rise by 3½ per cent per annum, whereas the increase has been about 7½ per cent.

None of my critics has referred to the behaviour of the U.S. money supply in real terms, the turning points in which have preceded those in real activity. After falling in 1980-81, real M2 rose by 6 per cent in 1982 and by about 8½ per cent in 1983. It is important to note that especially if an adjustment is made for the effects of deposit deregulation, the strength of real M2 growth is attributable more to the fall in the U.S. inflation rate than to the speeding up of nominal money growth. The behaviour of American wage costs, on which Professor Maynard (June 29), rightly in my view, places emphasis, has played the vital role here as well as in the restoration of profitability.

Professor Godley (June 29) appears to believe that the difference between the strength of the upturn in the U.S. and that of Britain in 1983-84 has

Letters to the Editor

been due mainly to restrictive fiscal policies pursued in Britain in 1979-81. This seems to imply much longer time lags than the one-two years which other economists usually envisage. Even if we begin with the much-debated British Budget of 1981, the increase in the total inflation-adjusted structural deficit for the three years 1981-83 represents exactly the same proportion of gdp (2½ per cent) in Britain as in the U.S.

Professor Godley's statement that the "theoretical expectation is that, ceteris paribus, a 1 per cent increase in the structural deficit will ultimately generate an increase in real gdp of 2 per cent or more" is a remarkably confident one. Other economists would say that the ultimate consequences will depend on empirical factors. These include the degree of monetary accommodation and the extent to which the rise in money incomes brought about by fiscal expansion is dissipated in inflation, in which the response of wages is crucial.

Like Professor Maynard, I believe that it is the latter point which mainly explains the different reactions of the British and American economies.

Finally, Sir Douglas (June 29) has my full agreement when he writes that, whatever the validity of inflation

adjustments to Budget deficits, the response to an increase in inflation should not be an increase in public borrowing if the object is to bring inflation down.

(Professor Harold Rose,
54, Lombard Street, EC3.)

Share schemes for employees

From Mr J. Carroll

Sir.—Mr Cohen (June 16) reiterates his view that, under a future Labour Government, participants in employee share schemes "who have exercised their options but not yet sold them" might find themselves paying income tax on their profits." He argues that this would not need to be brought about by retrospective tax laws (as suggested on June 16); the change would only be "partially retrospective" and Conservative Government make partially retrospective changes in tax laws.

Where I still disagree with Mr Cohen is that such a change would in my view be retrospective in the full sense, namely that it would impose a tax charge on an event which would have already occurred. Since

John Carroll,
Saddler's Hall,
Gutter Lane,
Cheapside, EC2.

on exercising share options. It has been the exercise of the option which has triggered off a tax charge. In 1972 the tax charge was removed by a Conservative Government for Inland Revenue-approved schemes only to be restored by a Labour Government in 1974. This year's Budget again removes the tax charge for Inland Revenue approved schemes. Thus, if Labour wants to cancel the tax advantages of share option schemes, the simplest and the most logical way of doing this would be to restore the tax charge on exercise. This would mean that options exercised before the change would be unaffected, whether or not the employee has sold the shares acquired—which is precisely what happened in 1974.

Admittedly, Labour could make the tax charge extend to options exercised before the change. Or they could achieve the same result by creating an entirely new income tax charge—as Mr Cohen suggests—on sales of shares acquired under share option schemes. Both these changes would be retrospective in the full sense, since the event which gave rise to the profit that is being taxed, namely the exercise of the option, would have occurred before the change in the law. I do not think that such action is impossible; merely that it is unlikely in relation to schemes which have been deliberately fostered as part of Government policy. Concern on this score should not deter companies from setting up share schemes for their employees.

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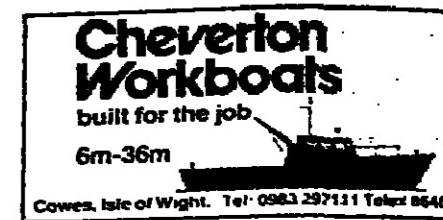
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FINANCIAL TIMES

Thursday July 5 1984



FIVE NATIONS SEEK AGREEMENT ON FIGHTER

BY DAVID MARSH IN PARIS

DASSAULT-BRÉGUET. France's state-controlled military aircraft company, has made an uncompromising call for French technical leadership of the proposed five-nation project to build an advanced jet for the 1990s.

The statement, from M Benoît-Claude Vallières, the Dassault-Bréguet chairman, comes just before a crucial meeting of defence ministers from the countries concerned – France, Britain, West Germany, Italy and Spain – in Madrid on Monday to try to work towards a firm deal.

Franco-British disagreements on specification and work-sharing have so far held up progress on an accord, which would rank as one of the biggest examples of European industrial collaboration with orders worth at least \$15bn for the five countries' industries.

M Charles Hernu and Mr Michel Heseltine, the French and

British defence ministers, failed to resolve differences on the project at a meeting near Paris a fortnight ago. They are to meet again in London tonight to try to overcome discord before the Madrid gathering.

French Defence Ministry officials yesterday acknowledged that the earlier meeting had been difficult, but termed relations between the two ministers as "warm". France was determined to achieve a compromise agreement on the fighter deal with "balanced" work-shares among the five countries.

M Vallières, in an interview with the Financial Times said: "We are completely ready to transfer knowledge and experience to our partners, but it is normal that we should have the leadership of the project in the interest of keeping down costs."

Dassault-Breguet, which builds the Mirage fighter range, is already building an experimental prototype to serve as the model for the future

European fighter, to rival another design by British Aerospace.

Pointing out the difficulties of reaching accord on uniform specifications for the aircraft, he said: "I fear it will not be the same plane for everyone. There is a risk it will end up costing a great deal."

He said a key condition was that "a common research department should be set up in the Paris area with engineers from the five countries. That is not to say that if an engineer from one of the other countries has an idea we will not be interested. But we need a central design department to control what is going on."

On the work-sharing, M Vallières said construction would probably be split on the basis of the different

countries' purchasing plans. Although that has not been finalised, France has provisionally indicated interest in 250 aircraft for the air force plus 80 for the navy.

Britain and West Germany have each indicated purchases of around 200 fighters, with Italy and Spain interested in about 100 each.

"The aircraft has to be viewed as a complete system," M Vallières said.

"It is not just a question of cutting up shares for the airframe. It is also necessary to look at all the electronics and control equipment, too."

He added that the aircraft would need a new engine and the RB-190 advanced by Britain would not be suitable as it would be out of date by the mid-1990s. Additionally, test flying would need to be carried out at France's established test base at Istres near Marseille, to cut costs and achieve best organisation.

India may manufacture Soviet fighter, Page 4

Irish milk run dodges EEC rules

BY IVO DAWNEY IN BRUSSELS

THE infamously inventive alliance between farmers in Northern Ireland and the Irish Republic has now devised an elaborate system of "milk smuggling" as an effective way of dodging EEC rules aimed at containing dairy production.

Reports from Ulster suggest that chinks in the Community's "super-levy" controls are wide enough for tanker loads of milk to cross the border in both directions, all delivering loads unaccounted for by national quotas.

The scale of the traffic recalls the notorious "carouse" of the 1970s when lorries loaded with meat and livestock earned thousands of pounds in EEC subsidies at frontier checkpoints by repeatedly crossing the border and returning for further handouts via unguarded back roads.

Like the carousel, the new ruse is based on differences between the UK and Ireland in the application of Community rules.

While in Northern Ireland ceilings on milk production are imposed at farmer level, those in the south are enforced at creameries.

The republic's success at the farm reform talks in Brussels last March in negotiating an extra 245,000-tonne milk quota has meant some Irish creameries are failing to meet their production targets. Consequently, milk is now being collected in Northern Ireland and driven over the border for sale in the south.

Furthermore, though the bulk of the traffic is going to the Republic, there are unconfirmed reports that some Irish producers are selling to Ulster creameries when their local co-operative looks like exceeding its ceiling on deliveries.

As the quotas in Northern Ireland are at producer level, this Southern Irish milk is therefore conveniently "laundered" into the legitimate market without any evidence of quotas being exceeded.

One European Commission official said: "When supply is looking for demand on one side of the border and processing capacity is looking for supply on the other, with an uncontrollable border it is not a question of how it will happen, but when?"

Irish Ministry of Agriculture officials this week attempted to play down the scale of the illegal traffic.

Ironically, however, the Community decision to abolish frontier taxes on farm produce has worked in favour of the milk rustlers by reducing border bureaucracy.

So far, the European Commission appears unaware of the Irish cross-border milk traffic, and even if it were, it would be difficult to introduce adequate policing.

The end of this particular agricultural ingenuity is likely to come soon, however, when the new quota for the Irish Republic is filled and southern producers take up the slack currently being filled by their co-operative colleagues in the north.

Daimler-Benz drops expansion plan but aims to hold output

BY JOHN DAVIES IN FRANKFURT

DAIMLER-BENZ, the West German motor vehicle producer, hopes to match last year's output after abandoning expansion plans because of the length of labour conflict over shorter working hours.

It is also striving to maintain dividend continuity "as much as possible" despite a dent in operating profits.

Prof Werner Breitschwerdt, the chief executive, said yesterday Daimler-Benz had hoped to turn out more than 520,000 cars this year, aided by extra capacity at its British plant, but after losing nearly 65,000 cars in more than six weeks of dispute the company would strive now to reach last year's output of 576,000 cars.

The company would no longer be able to match last year's production of 175,000 commercial vehicles at its West German factories, as originally planned. This was not only because it missed out on producing 17,000 commercial vehicles during the dispute, but also because it had lost orders and market share abroad.

Daimler-Benz, like BMW, Audi and Porsche, was shut down within

days of the decision by metalworkers to go on strike at companies supplying vital motor vehicle parts in May.

The dispute about demands for a cut in the working week from 40 to 35 hours eventually crippled almost all the vehicle industry, the only notable exception being Ford, which carried on some assembly work.

With a settlement reached on the basis of a 38.5 hour week, production resumed at Daimler-Benz and most other car makers this week. BMW will resume work next week.

Prof Breitschwerdt told the shareholders' annual meeting in Stuttgart the company missed out on sales revenue of DM 3.5bn (\$1.26bn) because of the strike. Operating profits suffered a setback which could not be made good in the rest of the year.

He said, however, Daimler-Benz would strive to ensure that shareholders felt as little impact as possible. The company had always set dividends with an eye to medium-term profit trends and this remained the goal.

Daimler-Benz paid a dividend of

DM 10.50 on last year's results. Although it omitted the DM 1 bonus of the previous year, it paid a full dividend on a capital increase made towards the end of last year.

Daimler-Benz lifted world sales revenue 2.8 per cent to just over DM 40bn last year, with group net profits up 7.2 per cent at DM 988m.

Prof Breitschwerdt said car sales revenue last year exceeded revenue from commercial vehicles for the first time in ten years.

World demand for commercial vehicles would grow, however, even though immediate prospects were much less favourable than for cars. The company would continue to attach equal importance to the two sectors.

Daimler-Benz was continuing to introduce its compact class 190 car to export markets, with sales beginning in Japan and Australia in a few months.

Prof Breitschwerdt said the recent labour conflict would have a dampening effect on production and consumer spending in West Germany this year.

BL to appeal against fine, Page 2

Maxwell bids for Mirror

Continued from Page 1

control of Pergamon Press, the technical publishing house he had earlier run in the 1960s, but which he lost control of after an abortive bid by Leasco for Pergamon in 1970.

That affair ended in a torrent of recriminations and led to a highly critical Department of Trade Inspectors' report. Mr Maxwell retired from the scene for a while but in Pergamon floundered without him and eventually he was able to buy the company back cheaply.

In the subsequent decade Mr Maxwell has steadily expanded and developed Pergamon's activities, which now extend far beyond the original lucrative base of technical journals.

Pergamon has more recently moved into the computer age, developing specialised databases – especially patent information through Pergamon InfoLine.

Profits of Pergamon, excluding quoted subsidiaries, reached £11m in 1983 before tax, a comparatively modest advance over the £10.3m of 1982, being held back by research and development and reorganisation costs.

In the recent annual report, however, Mr Maxwell indicated that as a result of advance subscriptions and pre-publication orders received he was able to predict a Pergamon profit figure of over £15m pre-tax for 1984.

There have been hints that Pergamon might be brought to the stock market, where despite Mr Maxwell's controversial reputation it might be expected to have a high valuation – probably well over £100m. Control rests with the Maxwell family through an ultimate

holding company in Liechtenstein, Pergamon Holding Foundation. That valuation excludes the worth of the controlling interest held by Pergamon in British Printing and Communications Corporation (BPCC), a stake currently valued at some £170m.

The build-up of the BPCC stake and the astonishing turnaround in the fortunes of that company have formed the second main stage of Mr Maxwell's re-emergence as a powerful figure some 15 years after he tried and failed to buy the British popular Sunday newspaper, the *News of the World*.

His activities at BPCC have been concentrated within the past four years or so, since he first swooped on the ailing printing group in a dawn raid in 1980.

BPCC tried to fight him off but in 1981 Pergamon took control through a capital reorganisation and injection as EPCC (or BPCC as it was then known) came close to bankruptcy under the burden of huge debts.

Mr Maxwell immediately implemented a drastic "survival plan" and engaged the print unions head-on in process of rationalisation and closures that changed the face of the British printing industry. In the process, BPCC has returned to substantial profitability, recording £22m before tax for 1983.

The debts have only recently been paid off by means of a disguised rights issue; in fact a bid for an investment trust, Bishopsgate Trust, which was bought for shares and then liquidated in the middle of last month for just under £50m.

A key event during the recovery process was a deal with Reed International in 1982, whereby Reed sold to BPCC its troubled Odhams gravure printing plant at Watford, near London.

Now Mr Maxwell is again seeking to put the pressure on Reed and force it to do a deal, although this time cash is the lure rather than the promise to stymie printing losses.

He is able to do so on the basis of a printing and publishing empire which now – after the Bishopsgate deal – has little debt and is fast improving its profits. It is arguably worth more than £400m.

Mr Maxwell shut the Odhams plant and transferred the works to BPCC's nearby Sun Printers, thereby curing an overcapacity problem which had long dogged the gravure printing sector.

Mr Maxwell's offer for the Mirror Group, following closely on his purchase of 10 per cent of the shares of Fleet Holdings, publishers of the *Daily Express*, shows that he is swiftly moving to take advantage of his newly gained resources to buy his way into Fleet Street.

In recent years he has denied any ambitions to become a newspaper chief, claiming that he was concentrating on the scope for becoming a contract printer to the national newspapers. He has planned a newspaper printing plant in East London, and has held talks with several national newspapers – including the *Daily Telegraph* – to seek contracts from publishers trying to distance themselves from the costs and tensions of printing in Fleet Street.

Bonn restricts spending rise

Continued from Page 1

entitled to lift expenditure by 3.7 per cent to DM 49.3bn.

That nominal gain is practically wiped out by inflation. Although it provides room for the main modernisation programmes embarked upon by the Bundeswehr, including the Tornado aircraft and the introduction of the Leopard 2 battle tank, it falls well below the 3 per cent real annual increase in defence spending demanded by Nato of its members.

Paris is, however, keen to preserve the identity of the group. It does not want asset sales that would put at risk the total forge and foundry operations at Le Creusot.

Government officials concede that the cost of salvaging Creusot-Loire's activities now is likely to be higher than the sums demanded of the state and banks by the Creusot-Loire board.

The Government is now studying with French groups the possibility of them temporarily managing different parts of Creusot-Loire's widespread activities which range from

UK offers Oslo new deal on Sleipner gas field

By Dominic Lawson and Ian Hargreaves in London

THE BRITISH Government has told Norway the changes it wants in BPCC's proposed deal to buy 260m (£25bn) worth of gas from Norway's Sleipner field. But the UK Treasury and the Department of Energy have still not resolved their internal disagreement over the future of gas exports from the UK.

Yesterday's widely predicted attempt to divert the Mirror Group from the slipway – in the last weeks before its flotation – may appear scarcely more than a local culmination to this activity. In fact, two trains of events have converged to make it plausible for Mr Maxwell to mount a raid on the Mirror.

The new deal, put by Alick Buchanan-Smith, the British Energy Minister, to his Norwegian counterpart, Mr Kaare Kristiansen, involves a reduction in the peak amount of gas Britain buys, from 36m cubic metres per day to just under 30m cubic metres per day.

The effect would be to lengthen the production peak of Sleipner by several years. This would make the field less profitable to its owners, Statoil, the Norwegian state oil company, Esso and Norsk Hydro.

Statoil and its partners will refuse to accept a lower rate of return, and it is likely that they will want the extra development cost, between 5 and 10 per cent, to be borne by the British Gas Corporation.

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Whatever the embarrassment to Reed – and it must be wondering how to provide MGN with a balance sheet that will support its heavy investment plans – the Maxwell cash at present seems likely to prove irresistible.

The market's views showed in the Reed share price, up 6.5 per cent to £450p, but that doubtless reflects the floor which Mr Maxwell seems to have put under the Mirror price more than his chances of success.

THE LEX COLUMN

Holding a Mirror to Mr Maxwell

There can be few more persistent ambitions than Mr Robert Maxwell's desire to own a national UK newspaper. In the past six months alone he has unfolded plans to start a new evening paper in London, discussed the ownership of the Observer over breakfast with Mr Tony Rowland, and actually bought 10 per cent of Fleet Holdings from Mr Robert Holmes à Court.

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The shape of the balance sheet, anyway, should cause no further delay. BR is understood to have accepted the conversion of its £74m loans to Sealink into equity. There has also arisen a surplus of £50m on property revaluations, leaving total shareholders' funds at £127m and net borrowings around £70m, mostly secured on the Sealink.

In the first place, over the past couple of years his own companies have enjoyed a remarkable recovery. This was crowned last month by the refinancing of BPCC, when the Bishopsgate investment trust was acquired and its portfolio broken up. The effect of this was to remove virtually all debt from the BPCC balance sheet – a complete ruin when Pergamon took it over as an alternative to receivership – and substantially to improve the gearing of the consolidated Pergamon balance sheet. The parent company now has in the Reed share price, up 6.5 per cent to £450p, but that doubtless reflects the floor which Mr Maxwell seems to have put under the Mirror price more than his chances of success.

Sealink

Three months of intense negotiation over the draft contract of sale for the Government's next privatisation ought at least to be some protection against an unwelcome bid from RTZ at the last moment. But the auctioning off of Sealink from its British Rail parent – for which final bids must be submitted by tomorrow – has now dragged on for two years or more and it is a sad comment on the whole process that it should now be coming to a head just before Sealink's critical peak season.

The half dozen potential purchasers, none of whom has yet made a final bid, will certainly be reaching a decision or a bid price on the basis of any profit projections for the current year.

It should help them that the initial requirement for all bids to be unconditional appears to have been tacitly abandoned on all sides. It could hardly be otherwise, given that



SECTION II - INTERNATIONAL COMPANIES

FINANCIAL TIMES

Thursday July 5 1984



Canada tells banks to lift provisions on Third World debt

BY BERNARD SIMON IN TORONTO

THE CANADIAN Government has asked the country's banks to increase their provisions for non-performing loans to several Third World countries, and is to tighten the rules on banks' disclosure of overdue principal and interest payments.

The new disclosure rules come into force at the beginning of the banks' 1984 fiscal year in November. An official of the Inspector-General of Banks' office in Ottawa said targets for higher provisions on loans to about three dozen countries have been conveyed to the banks, but he declined to give details of the targets.

The five largest Canadian banks have a total exposure of over C\$30bn (US\$22bn) to developing countries, including Argentina, Brazil and other "problem" borrowers.

They raised their loan loss provisions by 21 per cent to C\$2.7bn in 1983, while total non-performing loans jumped by 41 per cent to C\$8.5bn. The current level of non-performing loans is estimated at close to C\$10bn.

Under the new disclosure rules, contained in a letter from the inspector-general, the banks will be required to classify loans to sovereign and other borrowers as "non-acrued" if interest payments are 90

days overdue. Exceptions will be made if the banks consider that there is "no reasonable doubt" that principal and interest will be paid later. But according to the official at the Inspector-General's office, "we'll be watching that and taking a hard stand on anything that's more than 90 days overdue."

The changes have been under discussion for almost two years, and reflect efforts to bring more uniformity to Canadian banks' treatment in their accounts of overdue loans. The banks' definition of non-productive loans has varied widely, and there is little consistency in disclosure standards.

Of the five, Royal Bank and Toronto-Dominion Bank are generally regarded as being most open in their disclosure of problem loans.

The new guidelines stipulate that when a loan is designated as "non-acrued," all interest payments previously included in income but not yet collected must be reversed, thus reducing current income. If interest payments are received at a later date, they will be added to income on a five-year averaging basis, except where the loan is to a sovereign borrower, the banks already having treated it as materialised.

Most analysts had expected the company, which is one of the financially stronger groups in the industry, to hold its dividend. However, the company said yesterday that it "felt it was more prudent to reduce the dividend until the company returned to profitability, even though the company's cash flow would permit a continuation of the dividend at current levels." The dividend has been cut from 21 cents to 12 cents, effective next quarter.

Mr J. R. Lesch, Hughes Tool's chairman, said yesterday that in addition to taking the write-off, the company was reorganising and consolidating its regional management. The number of operating divisions has been cut from 11 to five.

Hughes Tool cuts dividend by 43%

By William Hall in New York

HUGHES Tool, which is one of the world's biggest manufacturers of oil drilling bits and which has been hit by the slump in the U.S. oil services industry, to take a \$175m pre-tax write-off in the second quarter and has announced that it is cutting its dividend by 43 per cent.

The group took a \$74.1m write-off and reported a net loss of \$90.8m in 1983 - its first loss in over 50 years. In the first quarter of the current year it reported a net loss of \$14.5m but maintained its quarterly dividend.

The \$175m provision covers the phasing out of certain product lines and the write-down of certain fixed assets and inventories that are surplus to anticipated requirements at current levels of activity, according to the company. Full details of the write-offs will be disclosed when the group announces its second-quarter results on July 17.

Hughes would not elaborate on its short statement yesterday that like other oil services companies, it was found that the anticipated upturn in the U.S. industry is taking far longer than expected to materialise.

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TESTING TIME FOR A U.S. CORPORATE CHAMELEON

How Gould switched to electronics

BY STEFAN WAGSTYL IN LONDON

GOULD, the former Chicago battery company that has turned itself into a leading industrial electronics concern, is facing an extreme version of a challenge familiar to other U.S. corporate chameleons.

Through acquisition and disposal, including the sale in April of the original U.S. and Canadian battery business, Gould has completed "one of the most substantial restructuring in corporate history." But can the company now sustain the momentum to keep the whole growing as fast as its separate parts?

The question may fairly be asked about a company that has transformed itself twice in 20 years. First it grew from a small battery business in the late 1960s to an industrial conglomerate with sales of \$3bn in 1980. Then in 1980-84, it changed again, selling the stakes it had acquired in old industries and instead buying up high-technology companies.

Wall Street analysts, who are used to seeing U.S. companies change direction by shuffling partners, were surprised by the scale of Gould's transformation. Mr Charles Hill, electronics analyst with stockbrokers Kidder Peabody, said:

"There are others who have tried it, but nobody has gone as far as Gould. No company has so completely changed its business or its management."

Altogether Gould bought nine high-technology companies to add to the 10 it already owned. Most important, it bought a minicomputer maker, Systems Engineering, and American Microsystems, a Silicon Valley semiconductor producer.

In 1979 only a third of Gould's sales were in electronics. This year, after the sale of the battery business, electronics will account for almost every dollar Gould makes. As well as minicomputers and microchips, the company manufactures factory automation equipment, measuring instruments, medical equipment and defence gear, including the U.S. Navy's main torque.

A crucial element of Gould's transformation has been choosing closely defined markets where it could take the number one or two position and where there would be little competition from the industry's giants. Gould's microchips, for example, are custom-built to meet the specific demands of a wide range of customers and are not of the mass-produced kind. Minicomputers are sold for flight simulation design shops and laboratories rather than for commercial offices, where sales are dominated by IBM.

Mr David Simpson, president and chief operating officer, said in London recently that shareholders complained when Gould paid out "top

money for top companies." But there was never any protest about the strategy.

Internally it was a different matter. Management style has had to change and those who did not like it had to go. The old Gould was built up by tight control over money, margins and managers. The new Gould has to accommodate electronics entrepreneurs and engineers who would balk at such treatment, and take themselves and their ideas elsewhere.

Other areas, however - notably

computer-based products - would clearly benefit from greater co-ordination. Gould is gingerly feeling its way in that direction. A group ad hoc task force has been set up to develop a computer workstation - a high-performance personal computer with advanced communications functions - which could then be adapted using different software for a range of markets. But in practice the work is being done at one division - the former Systems Engi-

neering.

If one market is more important to Gould than the rest it is factory automation. It is here that the pre-1980 Gould developed its early skills in electronics, including developing some of the world's first programmable controllers. Gould is increasing co-operation between divisions in this market - its electronic products are all built to connect with each other - but there is no sign yet of specific joint venture within the company.

Mr Simpson says that in five years time factory automation will be Gould's single biggest business. The market, which is predicted to grow at 24 per cent a year, was estimated at nearly \$1bn last year and is expected to be worth \$2.9bn in 1988.

The U.S. is Gould's main market in every field, accounting for 75 per cent of total sales last year.

Circle K pays \$100m for General Host unit

BY OUR FINANCIAL STAFF

GENERAL HOST, the U.S. garden centres and food processing concern, has agreed in principle to sell its Little General Stores division to Circle K, another U.S. group, for about \$100m in cash.

The companies said the transaction was subject to execution of a

definitive agreement, formal approval by the respective boards and receipt of appropriate government clearances.

Little General Stores, which operates 440 stores in the southeastern U.S., had 1983 sales of \$182m.

BY JOHN MOORE, CITY CORRESPONDENT IN LONDON

LONRHO has gained permission from Britain's Department of Trade and Industry to go ahead with plans to double its boardroom representation at House of Fraser, the Harrods store group.

The surprise move was announced yesterday by the Trade Department. In the last few weeks the Department has been locked in discussions with Lonrho over the undertakings which would be re-

quired from the group while a new Monopolies and Mergers Commission study is being prepared on Lonrho's battle for control of the stores group.

Lonrho is House of Fraser's largest shareholder with a 29.9 per cent stake and has two places on the Fraser board. These seats are taken by Lord Duncan-Sandys, Lonrho's chairman, and Mr Roland Tiny Rowland, Lonrho's chief executive.

Lonrho has agreed with the Department of Trade that two resolutions seeking the election of two other Lonrho directors - Mr Paul Spicer and Mr Terry Robinson - can go ahead.

Prof Roland Smith, chairman of Fraser and the rest of the board, with the exception of the Lonrho directors, have argued with the Trade Department that the structure of the board and the group should not

be changed while a new Monopolies and Mergers inquiry is in progress.

Lonrho is also planning to oppose the re-election of Ernest Sharp, a non-executive director brought in by Fraser's merchant banking advisers S. G. Warburg, to help combat the Lonrho threat.

Lonrho has agreed with the Trade Department that no voting restriction would be placed on Lonrho's 29.9 per cent shareholding in

respect of the two resolutions tabled for the election of its own directors. But Lonrho has been forced to give an undertaking to the Trade Department that it will not use its shareholding to oppose the re-election of Prof Smith at the forthcoming annual general meeting.

Mr Tiny Rowland is up for re-election to the Fraser board at the annual general meeting, as are Prof Smith and Mr Sharp.



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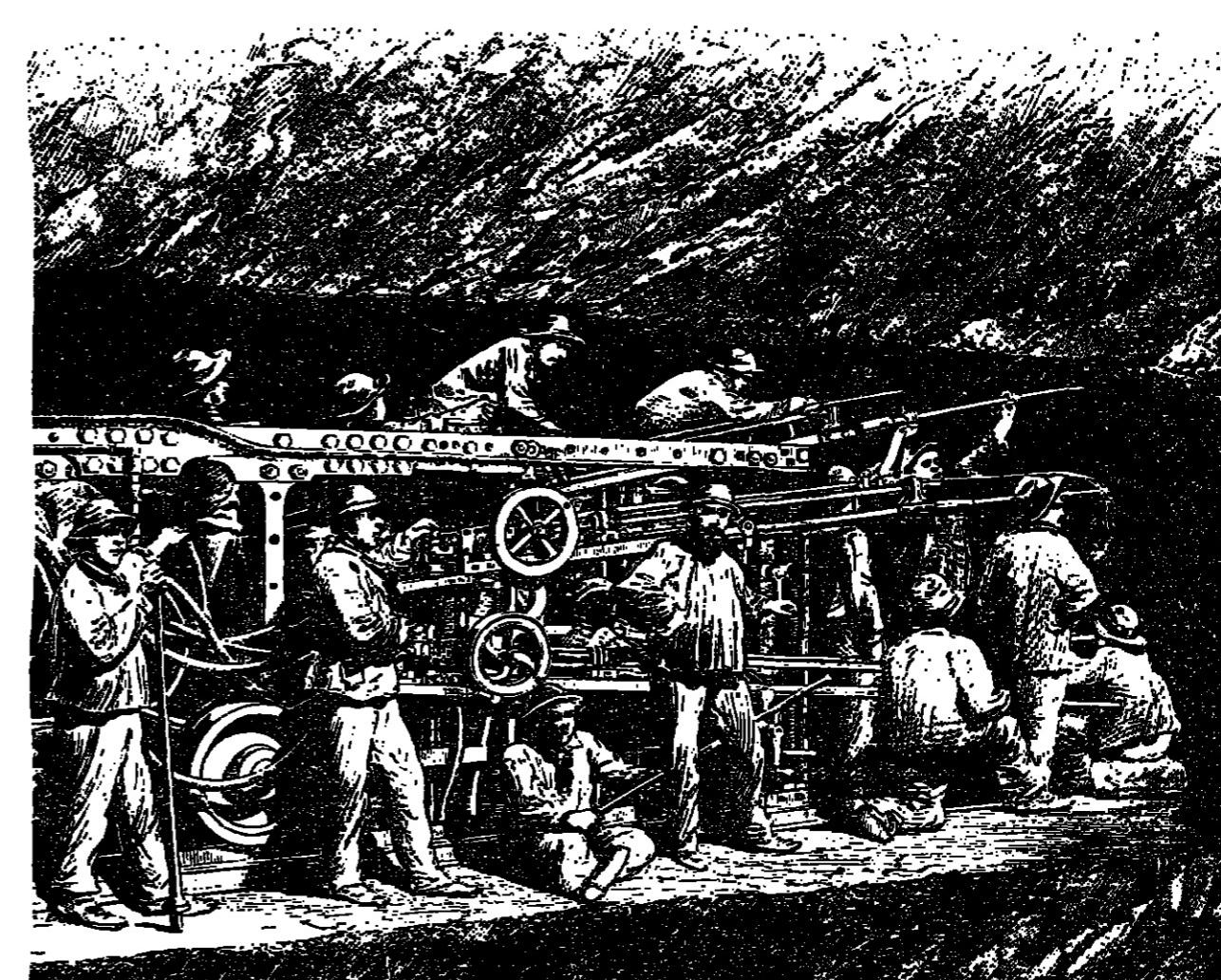
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INTL. COMPANIES & FINANCE

Casio 26% ahead to over Y8.8bn

BY ROBERT COTTRELL IN TOKYO

CASIO COMPUTER, the Japanese electronics manufacturer, yesterday announced consolidated sales of Y200bn (\$835m), and consolidated net profits of Y8.88bn for the year to March 20.

Casio's consolidated sales were eleven per cent higher than in the prior year, while net profits showed a 25.4 per cent increase.

Casio's previously-announced parent company results for the 1983-84 period showed net profits just 13.7 per cent higher at Y16.5bn, while sales were 9.4 per cent ahead, at Y176.4bn.

Mr T. Uemura, general manager of Casio's financial division, said yesterday that the higher growth rate of consolidated sales and profits reflected cost-cutting automation of the group's main domestic watch-

making subsidiary, and a successful concentration on higher value-added products by the group's sales subsidiaries in the US and Britain.

Casio expected to increase its consolidated net profit to at least Y100bn in the current financial year, from sales of Y220bn, said Mr Uemura.

Breaking down sales for the year under review, Mr Uemura said the group's major product line remained its calculators, accounting for 46.8 per cent of sales. Casio estimates that it holds 45 per cent of the Japanese market, and 33 per cent of the world market, for electronic calculators.

Electronic watches accounted for 32.4 per cent of sales. Casio says it is the largest manufacturer of electronic watches in the world, with 65 per cent of the Japanese market, and 15

per cent of the world market. The remaining 21.1 per cent of Casio group sales was attributed to electronic office systems and musical instruments.

Casio's sales for the year were 32 per cent domestic and 68 per cent overseas.

Mr T. Kohzai, the company's managing director, said the group was preparing the way for production of a colour television set with a liquid-crystal display (LCD). He indicated, however, that the product's selling price is still under review.

It was important, said Mr Kohzai, that the price should seem "reasonable" to the consumer. The world's first LCD colour television was unveiled two months ago by Seiko, at a projected retail price of Y84,800.

● Sanko Steamship, the ship charterer and tanker operator, yesterday announced that 80 private banks in Japan have agreed to postpone its repayment of loans totalling Y300bn as part of a three-year reconstruction plan launched last April, reports Reuter from Tokyo.

The banks had earlier agreed to postpone repayment of Y70bn in debts owed by a wholly-owned subsidiary of Sanko which had been set up last May to take control of 16 large tankers.

Sanko has also asked the Japan Export-import Bank to postpone repayment of loans worth Y200bn the company's industrial clients said the bank is likely to accept Sanko's request now that the private banks have accepted postponement of repayment of their loans.

Ben shares halted amid takeover speculation

By Chris Sherwell in Singapore

BEN AND COMPANY, the Singapore food trading and processing concern which is a 67 per cent-owned subsidiary of Straits Steamship, yesterday asked for its shares to be suspended on the local stock exchange following a three-day bout of speculative trading.

Reports circulated that at least two companies were interested in taking over Ben with the aim of acquiring a public listing. Ben acknowledged that negotiations were taking place with several parties as prospective joint venture partners.

If Ben is sold off, the move would mark the first significant rationalisation of Straits Steamship's interests since the company was taken over in the middle of last year by the Singapore-based Keppel Shipyards.

Keppel bought Straits Steamship from its British parent, Ocean Transport and Trading, in a deal which valued the company at close to \$550m. It was one of Singapore's largest-ever corporate takeovers. Straits has since restructured an after-tax loss, as has Ben.

Yesterday trading in Ben's 40-cent shares was halted with the price at \$31.04. Last Thursday it closed at 81 cents, little higher than the 1984 low point of 79 cents, but the price firmed last Friday and has surged upward this week.

The directors won a temporary suspension of the share issue and promised a further announcement as soon as possible.

Straits Steamship insisted that no outcome of Ben's negotiations warranted the speculation that had hit the company's shares.

MBF Holdings in joint venture on leasing

By Wong Sufong in Kuala Lumpur

MBF HOLDINGS, the Malaysian finance and property group, is moving into the leasing business in Indonesia.

A Hong Kong-incorporated company, ...MBF...Leasing (HK), of which MBF holds 57 per cent, has set up a joint venture company with a group of Indonesian businessmen.

The leasing company will hold 55 per cent in the venture, P. T. Sejahtera MBF Leasing, which has been granted a provisional licence by the Indonesian Finance Ministry to start leasing business.

MBF Leasing HK will manage the venture's leasing operations in Indonesia for the first 10 years, after which majority control will be transferred to its Indonesian partners.

The third party in the deal is the Dowa Banking Group of the U.S.

At the same time MBF Holdings has announced it will acquire another Malaysian property company, Super Homes, for 18.5m ringgit (\$8m) to be satisfied by an issue of 10.88m new shares.

Super Homes owns 26 acres of land in Kuala Lumpur for the building of 236 apartments and bungalows.

General Host in \$100m sale

GENERAL HOST, the U.S. garden centres and food processing concern, has in principle to sell its Little General Stores division to Circle K, another U.S. group, for about \$100m in cash, O. F. Mullend Stan wrote.

The companies said the transaction was subject to the execution of a definitive agreement, formal approval by the respective boards and receipt of appropriate government clearances.

Little General Stores, which operates 440 convenience stores in the south-eastern U.S., had sales of \$152m last year.

Gonfreville slides deep into loss

BY PETER BLACKBURN IN ABIDJAN

ETIS R. GONFREVILLE, Ivory Coast's main textile manufacturer, has reported a net loss of CFA 78.5m (US\$32m) in 1983 compared with a similar sized profit the previous year.

Turnover fell 9.7 per cent to CFA 19.5bn due to a substantial drop in sales both locally and to other West African states.

Deep economic recession and competition from cut price Chinese and smuggled imports caused a 15.8 per cent drop in local sales to CFA 10.2bn. The closure of the Ghanaian and Nigerian borders led to a 10.4 per cent drop in West African sales to CFA 7bn.

As a result Gonfreville recently closed one of its production units at Bouake, laying off nearly 350 workers.

However, sales to Europe, mainly cotton yarn and unbleached fabrics, rose nearly 40 per cent last year to CFA 2.2bn.

Prospects are brighter for 1984 with turnover up 5.5 per cent during the first six months, the company says.

Exports to Europe have nearly doubled and in spite of continued recession local sales have risen 20 per cent.

The recent reopening of the Ghanaian border should boost

local cotton prices some 25 per cent below world prices has helped improve competitiveness of local textile manufacturers.

Gonfreville, 64 per cent Ivoirian owned with minority French and International Finance Corporation interests, has invested heavily in recent years to modernise plant, rationalise production and improve productivity.

Recent Government legislation introduced within the context of World Bank structural adjustment programme, reforming customs tariffs and introducing export subsidies, and tax relief for

industrial restructuring is expected to strengthen the local textile industry if properly applied, observers say.

Aetna makes first move into Asia

HONG KONG—The Bank of East Asia and Aetna Life Casualty have joined forces to enter the insurance market in Hong Kong.

The new company, East Asia, was created through a 50-50 joint venture and officially opened on Wednesday. This is Aetna's first involvement in Asia.

The new insurance company's capital is HK\$7m (US\$860,000). The Bank of East Asia is one

is the managing director of the new Hong Kong insurance company.

Despite its uncertain political and economic future, Mr Maxwell believes Hong Kong is a prime market for the insurance business. "Only 4 per cent of Hong Kong's residents are currently insured," he said. Over 90 per cent of Japanese, over 80 per cent of Americans and over 40 per cent of Australians have life insurance, he added.

Mr John Maxwell, managing director of Aetna in Australia, AP-DJ

is holding a press conference to announce the formation of the new company.

The new company will be based in Hong Kong and will be fully owned by Aetna.

The new company will be effective from January 1, 1985.

AP-DJ

Accountants rule on loan costs

HONG KONG—The Hong Kong Society of Accountants yesterday announced plans to adopt a new standard rule on deferred payment, or capitalisation, of financing costs.

The Society proposed that all borrowing costs associated with the acquisition, construction or production of assets requiring time to prepare for use, or sale, be deferred, or capitalised, during that period.

Once the asset is in a condition to be used or sold no further borrowing cost should be capitalised, said Ms Pauline Wallace, the Society's director.

The amount already deferred will then be reflected in the profit-and-loss account either as part of the cost of goods sold or, when applicable, part of assets depreciated.

The Society considers that capitalisation is an appropriate standard because otherwise the

mere acquisition of the assets reduces earnings shown on the balance sheet.

Ms Wallace believes the Society's proposal will be supported by the individual accountants.

The Hong Kong Society of Accountants has about 2,250 members.

The new accounting standard will be effective from January 1, 1985.

AP-DJ

Strong advance by Harrisons Malaysian

HARRISONS MALAYSIAN PLANTATIONS has reported pre-tax profits of 95.77m ringgit (\$41.3m) for year ended March 31, up strongly from the previous years 79.3m ringgit.

Turnover last year doubled from the 253.58m of 1982-83.

Earnings per share were 14.2 sen against 14.6 sen fully adjusted. Tax paid was 44.1m ringgit leaving 51.66m. Minority interest was 10.05m ringgit and extraordinary gains 3.78m ringgit reflecting land sale prints.

The company said turnover more than doubled due to the inclusion of Jomalina Sandurian since June 20, 1983.

Allied Irish Banks Limited U.S.\$60,000,000 Floating Rate Notes due 1987 in accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from July 5, 1984 to January 7, 1985, the Debentures will carry an Interest Rate of 13.125% per annum and that the interest payable on the relevant Interest Payment Date, 7th January, 1985 against Coupon No. 5 will be U.S.\$678.13.

The Sumitomo Bank, Limited Agent Bank

The company is to retain its Y7 dividend for 1983-84.

Video tape recorder sales, an important source of revenue, are forecast to rise 15 per cent from 1982-83 to more than Y150bn in 1983-84.

Sanyo Electric also said yesterday that it has agreed to set up joint ventures to produce colour televisions and air conditioners in the Chinese province of Guangdong.

The \$1.5m Guangdong-Sanyo Air Conditioners company based in Foshan, and equally owned by the provincial government's Second Light Industry Bureau, has already started production, aiming for 40,000 units in the first year.

Huaqiang Sanyo Electronics, based in Shenzhen and capitalised at \$6m, will begin operations next September, with initial monthly production of 5,000 colour televisions.

Ages

Yuan

INTL. COMPANIES & FINANCE

David Marsh and Terry Dodsworth report on a new banking group

M Moussa gets back into action

M PIERRE MOUSSA, the former chairman of now-nationalised French investment bank Paribas, has done his best to ensure that his new international financial group, Pallas, will achieve a thoroughbred status in the world banking stakes.

Pallas, which was formed in the wake of M Moussa's acquisition of government-held charges of foreign exchange control irregularities, has a capital of \$100m, half of which is paid up.

This represents a sizeable chunk of start-up funds for a new banking venture — certainly by the under-capitalised standards of French banks. The capital of the Compagnie Financière de Paribas holding company, which groups Paribas' diverse industrial and financial operations, is by contrast only FFr 1.75bn (\$210m).

The capital of Banque Nationale de Paris, France's largest commercial bank, is FFr 1.6bn, although both BNP and Paribas, like the rest of the French banking system, have built up considerable additional capital banking through reserves and provisions to supplement their reserves.

Luxembourg-based Pallas will also benefit from the backing of a dozen international blue-chip shareholders. Some, like Power Corporation of Canada, and the



Pierre Moussa: "My friends have not changed."

Belgian Bruxelles-Lambert and Gevaert groups, are old stablemates, both of M Moussa and Paribas.

They were shareholders in the U.S.-incorporated financial consultancy company Finance and Development set up by M Moussa in November 1982 following his resignation as Paribas chairman in October, 1981.

So, too, was the Indian Tata group — though Tata had no previous business links with Paribas and joined the first Moussa venture after taking a sympathetic attitude to the former chairman's exit from Paribas.

The most interesting stakeholders in Pallas are, however, the ones arriving among M Moussa's financial connections. They include two public sector-linked British investment institutions, the Investors in Industry (31) group (owned 100 per cent by the Bank of England and 85 per cent by nine London and Scottish banks), and the pension funds of British Telecom and the Post Office (grouped as the PostTel fund).

Although M Moussa has been involved in the formation of Pallas for two years, the two British groups took the decision to join only in 1984. They were introduced to the idea through "mutual friends," M Moussa says.

The two UK institutions are

investment banking activities, may eventually provide a route to foreign business partners and finance for industrial investment in Britain.

M Moussa will be spending the lion's share of his time in London as chairman of Dillon Read Ltd, the investment bank built around Dillon Read's existing London operations, and in which the New York securities house and Pallas will each have a 50 per cent stake. Dillon Read Ltd's capital resources, including equity and subordinated loans, will be around \$20m.

As would be expected, M Moussa has been given the approval of the Bank of England for upgrading Dillon Read's at present rather sleepy London activities.

As for his personal circumstances after his dramatic acquittal at the end of last month, following a marathon court case and 2½ years of uncertainty over the charges (laid in November 1981), M Moussa says: "I would be lying if I didn't say I was happy at the end of the case. But I'm the same man as before. My friends have not changed; they were the same when I was chairman of Paribas; they were the same when I was nothing—and now they're the same when I'm chairman of Pallas."

Dillon Read gears up London operations

DILLON READ, one of the oldest names in Wall Street banking, today boasts one of the most up-to-date trading rooms in New York. Occupying a floor in a gleaming new glass and aluminium tower on Madison Avenue, this electronic showpiece is not as large as the First Boston operation just a few steps away in the smart midtown area. But it is compelling evidence that the 150-year-old company will be here for some time yet.

Dillon is one of a sizeable group of blue-blooded Wall Street banks which has fallen from the limelight as the spotlight has switched to the burgeoning financial conglomerates. It has nevertheless been quietly adapting to the new environment both in the U.S. and Europe — a metamorphosis which it has underscored in the deal with M Moussa.

Mr John Haskell, managing director and until now chairman of Dillon Read Overseas, says the decision to gear-up the company's London operation goes back about two years: "We decided that we needed to expand our capital base in London and give a more international flavour to the business, something that would indicate we had a broad vision of the world," he says.

Dillon believed then that London would expand inter-

nationally not only on the Euro-currency side, but also as a centre for international investment banking.

It saw the City becoming more involved in transactions on a supra-national scale — mergers and acquisitions, leveraged buy-outs and all the other banking activities which have expanded rapidly in the deregulated

Derek Millard, senior manager for 31, whose pension fund is investing an unexpected sum in Pallas, says: "The opportunity to invest in a new investment bank does not come along often. We are a bit light on our overseas investments and M Moussa has an impressive record with his own bank."

He should also be some spin-off from the different shareholders getting together." The 31 pension fund has some 4,000 individual investments.

U.S. financial markets: The proposed abolition of withholding tax in the U.S. will simplify tax and the growth in the international markets, which should receive a further boost from the coming deregulation in London.

To run this operation, says Mr Haskell, Dillon was looking for an international banker.

Coincidentally, M Moussa was evolving his own ideas for an international investment bank that would take equity interests in companies around the world.

He was looking for an established banking partner who could generate ideas and advice on potential investments. "We met in the dark," says Mr Haskell.

Under the joint organisation worked out between the two partners, Mr Moussa becomes chairman and chief executive of Dillon Read Ltd, running the London operation. Pallas, his own company, will effectively be controlled by executives working for Dillon Read, which has an investment contract for giving advice to Pallas.

Mr Haskell adds that the recently dismissed court case against M Moussa has, if anything, made him a hero in international banking circles. "He is a man of great integrity and ability," he says. "He took Paribas from being a leading French bank into one of the top international merchant banks."

Whether this gearing up in London will propel Dillon into the big league of investment banking is the big question posed by the deal. In the U.S. the company has so far steered essentially clear of the retail broking and dealing activities which characterise the largest

Ralf Quartane, chief executive of Postel Investment Management, which handles the joint British Telecom and Post Office pension funds, declines to reveal how much they have put in to Pallas. But he does say: "It fits in with our interest in getting stakes in financial services companies in this time of change. It is a growing field of interest for us and other institutions."

Bechtel construction group, and S. E. Bankers of Sweden.

According to Mr Haskell, it has decided to stick with its concept of being a high quality issuing house, maintaining close links with its corporate and public clients, and dealing essentially with institutions — the trading room, which has come into being to help distribute stocks in which it is involved, does not deal with the general public.

GOOD PERFORMANCE CONTINUES CONSISTENT GROWTH PATTERN



Extracts from the Statement by Niall Crowley, Chairman of the Board.

our investment in First Maryland Bancorp (FMB), our acquisition of The Insurance Corporation of Ireland Limited and a major investment programme in technology throughout the Group. These developments are changing the nature of our organisation towards a geographically diversified financial services group. The core of our business will remain our banking activities in Ireland, North and South. To this we have added a substantial international dimension and diversification into the related financial service of insurance.

Another important element of our recent strategy has been a sharper market focus on our British operations. Britain is a significant growth market for AIB Group and over the years we have built a strong business in this highly competitive marketplace. Recently we appointed a Group General Manager in Britain to co-ordinate and develop the services of all divisions. Our plans for Britain make us optimistic about prospects for sustained progress there.

Financial Highlights - For the year ended 31st March, 1984

Historical cost basis	1984	1983
Profit before taxation	85.4	68.9
Profit attributable to the Shareholders	50.4	39.6
Dividends	15.0	12.1
Earnings per 25p share	32.0p	26.8p*
Dividends per 25p share	9.5p	9.0p
Net tangible assets per 25p share	253p	222p*

*Adjusted for capitalisation issue July 1983
For copies of Report and Accounts and Chairman's Statement write to:
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Annual General Meeting at Group Headquarters, Bankcentre, Ballsbridge, Dublin 4 on Tuesday 10th July, 1984 at 12 o'clock noon.

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Capital gains brings trebled profit at Flick

BY RUPERT CORNWELL IN BONN

FLICK, THE embattled privately-owned German industrial group, is predicting a further boost in profits this year, after gains in both earnings and sales in 1983.

The company furthermore indicated yesterday that it is mustering resources for what Herr Hans Werner Koll, a Flick partner, described as a "gigantic" investment programme for the years ahead.

The group's profits more than trebled in 1983 to DM 95m (\$105m) from DM 30m. But the improvement was mainly accounted for by an extraordinary DM 15m gain stemming from the winding-up of the subsidiary Mercure Company of Curacao.

Sales of Krauss-Maffei, controlled by the Ederuers group in which the Flick holding company has a 97 per cent interest, jumped by 50 per cent

Without this contribution — the DM 15m will be made over to reserves — operating profits for 1983 moved ahead to DM 161m while group sales rose to DM 2.87bn, up 10 per cent to DM 9.8bn mainly as a result of a strong version at Krauss-Maffei, Flick's arms manufacturing associate.

Sharp swings in Krauss-Maffei's performance often distort Flick's overall results. Last year, three major divisions of Leopard I and 2 tanks respectively to Turkey and Greece, and to the German army, were carried out. There was no exception.

Sales of Krauss-Maffei, controlled by the Ederuers group in which the Flick holding company has a 97 per cent interest, jumped by 50 per cent

figures for its investment programme. However, Herr Koll made clear that both the DM 15m and the DM 161m will be reinvested in the future.

Among other major subsidiaries, Dynamit Nobel achieved a 2.2 per cent sales rise to DM 2.87bn, while Buders turnover improved fractionally to DM 1.45bn. But the depressed state of the steel market forced a 10 per cent sales fall at Edelstahlwerke Buders, the special steel concern, from DM 420m in 1982 to DM 411m last year.

On the other hand, Fagmühle, pushed up sales by 6.3 per cent to DM 2.53bn while dividend income from Flick's stakes of 25 and 10 per cent in W. R. Grace and Daimler-Benz respectively advanced to a combined DM 132m from DM 118m.

The group gave no overall

Voest-Alpine deeper in red

By Patrick Blum in Vienna

VOEST-ALPINE, Austria's state-owned steel and engineering group, reports losses of Sch 2.55bn (\$136m) for last year, more than double the Sch 1.24bn losses incurred in 1982, despite a 37 per cent increase in turnover, which reached Sch 104bn.

The reported group losses do not include the Sch 2.5bn losses made by Vereinigte Edelstahlwerke (VEW). Voest's troubled steel subsidiary, VEW, is accounted separately from the group in its annual report.

Herr Herbert Apfalter, Voest's president, says 1983's poor results were due to lasting difficulties in conventional steel construction and in the traditional mechanical engineering sectors.

Sumitomo Bank purchase

Sumitomo Bank said yesterday that it has completed the acquisition of a 52.67 per cent stake in Banca Del Gottardo, a Swiss subsidiary of Banco Ambrosiano.

Sumitomo did not give the takeover cost, but a basic agreement announced last March said the acquisition would cost \$144m.

Another loss for Talbot in Spain

BY DAVID WHITE IN MADRID

TALBOT of Spain, a unit of the French Peugeot group, incurred a loss of Pta 8bn (\$50m) for last year, down from 1982's deficit of Pta 12.75bn. However, the 1983 deficit was some Pta 1.5bn more than anticipated, according to Sr Estanislao Chaves, the chairman.

The company, which is now producing the Peugeot 205 small saloon, launched at the beginning of this year, as well as Talbot models, suffered a reduction in Talbot's exports from Spain, which fell to 8,900, by the smallest figure among the country's six car manufacturers.

Production rose by 2 per cent to 54,000. Turnover, which had

dropped in 1982, recovered to Pta 55.4bn, an increase of 41 per cent.

The company, which invested Pta 55m on installing the Peugeot 205 production line, has been progressively reducing its workforce, and plans to cut it further from the present 5,700 to 5,600 by the end of next year.

Like other Spanish car companies, including the Peugeot Group's other subsidiary, Citroën Hispania, Talbot is currently holding back on a planned mid-year price increase because of weak demand.

Computdata plans share issue

COMPUTDATA, the Dutch micro-computer producer, is hoping to raise Fl17.5m (\$2.4m) through the issue of 250,000 shares on the Amsterdam "parallel" market. The shares, priced at Fl30 apiece, will have warrants attached entitling bearers to purchase an additional share for each share already held, at the issue price, between January of next year and January 1987.

The issue is a major boost to the parallel market — an

equivalent to the London unlisted securities market — which had been losing high-technology stocks to the UK markets and is anxious to spruce up its image as a progressive institution.

Of the 250,000 shares on offer, 90,000 will be placed with professional investors in the Netherlands and the UK. Subscriptions close on July 17, and allotments will be announced the following day, with payments due at the end of the

has acquired

Datasream PLC

The undersigned acted as financial advisors to The Dun & Bradstreet Corporation.

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July 2, 1984

INTL. COMPANIES & FINANCE

A. G. Edwards bucks the national stockbroking trend

BY TERRY DODSWORTH IN NEW YORK

A. G. EDWARDS of St Louis is the sort of stockbroking firm that most of its rivals on Wall Street have spent the last 10 years earnestly striving not to be. It is established, regional, totally committed to the private client, and crucially wedded to commission income for its profits.

Virtually all the recent strategic activity on Wall Street has been devoted to running in the opposite direction—towards full or multi-service firms, highly active in investment banking or trading securities on their own account. Shearson/American Express's recent takeover of Lehman Brothers Kuhn Loeb was the latest manifestation of this thinking.

By contrast, Edwards has built a business which revolves around the typical modest investor from a typical American small town. "Our plan is to encourage the brokers and the clients to build a relationship," said Mr Bert Edwards, chairman and chief executive. "We don't want to diversify away from that to where we would be using a different sales force or diluting our capital on other things."

Part of the reasoning behind Wall Street's diversification was to counteract the effects of the abolition of fixed commissions back in 1975. As increased competition has brought a steady erosion of commission margins, most U.S. companies have been forced to build up other areas of their business as sources of revenue. As a proportion of the securities industry's total turnover, commissions have, consequently, fallen from around 50 per cent in 1975 to just over 25 per cent last year.

A. G. Edwards, however, has sailed through this squeeze on the traditional base of stockbroking as though it were not there. Profits have risen steadily (from \$15.7m net in 1980 to \$29.2m last year), margins have been roughly maintained, and the equity base has grown by leaps and bounds. It has achieved this by sticking

mainly to old-fashioned broking. "I do not believe in financial conglomerates," says Mr Edwards flatly. "I think that businesses are significantly different, and that each business has specialities on which it should concentrate."

Mr Edwards is a descendant of General Albert Edwards—a friend of President Abraham Lincoln—who founded the company almost 100 years ago. His successors have made it part of the St Louis establishment, forging a reputation for austerity—the Edwards family is staunchly Presbyterian—and firm management.

Nevertheless, Edwards is no longer a family firm. The present chairman owns only around 2.5 per cent of the stock, and he doubts that another Edwards will take over when he goes.

The company went public in 1971, partly to provide the necessary capital for growth. But even before that, it had started to publish its earnings as a management discipline, because we thought we would do a better job living in a goldfish bowl."

The comment speaks volumes for the conservative management style of the firm, run from a lofty downtown St Louis office block overlooking the Mississippi.

"Edwards is not trying to be a fancy organisation," says Mr Perrin Long, a securities analyst at Lipper Analytical Services. "It is trying to offer a service. It is customer-driven, not product-driven."

The strategy of the company goes back to a concerted planning effort which the company embarked upon back in the late 1960s, well before the abolition of fixed commissions.

Building on its reputation for service and personal contact, Edwards began to develop its market niche on a national basis. In a strictly geographical sense, this policy has flourished to the extent that it now makes nonsense of the "regional" label. Edwards today has about 240 offices, employing more than 2,000 brokers covering

virtually the whole of the country.

In another sense, however, Edwards has remained regional in spirit. It eschews the extravagance of a Wall Street headquarters and the touch of hyperbole that goes with it, sticking firmly to its sober mid-western roots—there are no private limousines in the company, while executives all travel tourist-style and it goes after a sort of middle-income business associated with suburbs and small town America which many of the big-selling New York companies had ignored until recently.

Mr Edwards argues that this policy turned out to be one of the best to face the abolition of fixed commissions, although he admits it was partly a question of luck. Back in the 1960s corporate planning stage, the company accepted that it would never be able to achieve the same success as the big institutional brokers who were earning their commissions on low cost, high volume business.

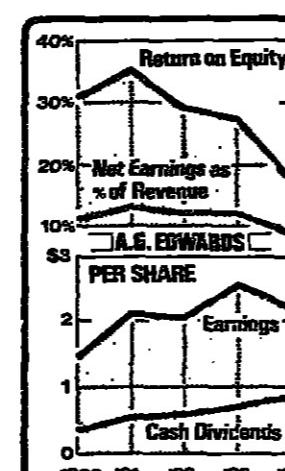
As it happened, however, the brokers who were hit hardest by the change in the rules were those depending on institutional clients, who were then able to push through huge discounts because of their large volumes. Private clients have proved less price sensitive, says Mr Edwards, provided they are given the right sort of quality service.

The rising relative importance of the private client market in the wake of price deregulation did not, of course, escape notice. In the period since 1975, Edwards has had to face a raft of new competitors, coming from all directions.

The large national groups like Merrill Lynch and E. F. Hutton have expanded from their big city bases into the smaller towns where Edwards is concentrated, a board range of new products has been introduced; and the discounters—the cut-price, no frills, no research, no advice brokers, often backed by the big banks—have also come into the market.

Edwards' response has been to stick mainly to its long-term game plan, expanding geographically, but holding to its small town, consumer-service-related concepts. This does not mean that it has chosen to ignore all the innovations.

But the firm remains distrust-



Commodity brokers' ill-fated gamble

By A. H. HERMANN, Legal Correspondent

A REMARKABLE dispute is unfolding in the High Court in London, between J. H. Rayner (Mincing Lane) and Rayner-Harwill Ltd, subsidiaries of S. and W. Berisford, and the Bank fuer Gemeinwirtschaft. Should the Rayner companies win, the German bank will have to pay under the two guarantees. The bank did not pay, and Rayner brought an action against it in the High Court in London. The bank's objection is that the dispute is not subject to the jurisdiction of English courts, which rejected by Mr Justice Staughton, and the case is now awaiting trial.

We would then have the interesting spectacle of German and English courts addressing contradictory orders to residents in the other country. The German courts seem to be in a stronger position because whatever is demanded of the German bank should take place in Germany, and the objection is that it is a matter of German public policy.

The case is remarkable also for another reason. It illustrates how dangerous it is to build a business in a foreign country on legal and moral concepts acquired at home—even if the country is so close as West Germany. The dispute seems to be the last in a long series—some of which have been reported in this column—arising from the German disapproval of differential deals, options or futures where no commodities change hands, and only profits and losses calculated on the movement of the price are credited or debited to the customer's account.

German law treats such deals much the same as gambling, so that any claims arising from them are unenforceable. There are, however, certain exceptions. Enforceable debts are incurred by German residents who have "market capacity" for example, because they are registered merchants.

Rayner-Harwill, acting as agent for J. H. Rayner (Mincing Lane), seems to have opened an account for a Bonn man, MN, without checking whether he was a registered merchant. It seems that it relied on his word. It was agreed in October 1980, that Rayner (Mincing Lane) would carry out for MN differential deals on the London and U.S. raw material markets, receiving an initial deposit of 1,000 Krugerrands as security.

This can be a tricky policy,

as was shown last year when it

decided to provide \$12m against

profits to compensate clients

who had bought annuities issued

by the Baldwin Group—now

operating in Chapter 11 bank-

ruptcy status, giving it protec-

tion from creditors—but the

experience does not appear to

have convinced Edwards to

change policy.

Events have been so easy-going as long as

they were making agreements fell out completely when the debt balance on MN's account reached DM 2.35m. Rayner asked for settlement within 14 days and, as no payment was forthcoming, called on the German bank to pay under the two guarantees. The bank did not pay, and Rayner brought an action against it in the High Court in London. The bank's

objection is that the dispute is not subject to the jurisdiction of English courts, which rejected by Mr Justice Staughton, and the case is now awaiting trial.

In the meantime, the true dimensions of the case have been unfolding in the German courts where the two Rayner companies perditorably lost a legal battle which they fought all the way to the Federal

UK companies were still clutching when they reached the Federal Supreme Court was reliance on Section 55 of the Boersengesetz, according to which one cannot reclaim the payment of an unenforceable debt once it has been made. They viewed the geometry of the Krugerrands and the guarantee as payment of the unenforceable obligation and were fortified in this belief by a BGH judgment of 1971!

However, that judgment was reversed; in 1982, a security can now be binding only if it covers stock exchange futures and only if strict formal requirements have been satisfied. Commodity futures are not covered. Rayner-Harwill was rightly ordered, said the BGH, to relinquish the possibility of blocking the return of the Krugerrands to the defendant.

Much the same applied to the bank guarantees. These could not be recognised as payment but only as security for a future payment. The BGH found nothing wrong with the injunction preventing Rayner (Mincing Lane) from claiming payment under the bank guarantees.

One of the defendant's arguments was that the injunction granted by the German courts represented an admissible intervention in the jurisdictional sphere of UK courts. The BGH did not agree: the plaintiff did not ask for any penal sanctions to be attached to the injunction, nor were such sanctions threatened by the courts below.

The BGH made a number of other interesting rulings—the judgment will be reported in greater detail in the July issue of the FT Business Law Brief—but two questions remain unanswered. What would the position of the German bank, vis-a-vis its client, should Rayner defy the injunction and the bank comply with a possible order of the UK courts to honour the guarantees? Also the possible impact of EEC law, which requires that German law should not treat deals on other EEC markets more harshly than similar ones on German markets, remains unexplored. But that would be another long story.

** ZF 10/83, unreported, BGBZ, ss. 1, § 261, 85 ssd.

	Year to end-February				
	1984	1983	1982	1981	1980
Revenue	\$22.7	\$27.4	\$21.9	\$18.1	\$17.6
Net earnings	29.2*	34.0	25.2	24.1	15.7
Stockholders' equity	172.3	150.6	98.6	76.8	57.4
Total assets	579.5	577.6	402.8	389.8	318.0

* After \$12m extraordinary charge.

This advertisement complies with the requirements of the Council of The Stock Exchange.

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Interest is payable in arrears on January 11, 1985 and January 11, 1986.

Full particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 19th July, 1984 from the brokers to the issue:

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5th July, 1984

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European Economic Community

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In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 5th July, 1984 to 7th January, 1985 the Notes will carry an Interest Rate of 13% per annum. The interest amount payable on the relevant Interest Payment Date which will be 7th January, 1985 is U.S. \$671.67 for each Note of U.S. \$10,000.

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U.S. \$300,000,000



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In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 5th July, 1984 to 7th January, 1985 the Notes will carry an Interest Rate of 13 1/2% per annum. The relevant Interest Payment Date will be 7th January, 1985 and the Coupon Amount per U.S. \$10,000 will be U.S. \$678.13.

Credit Suisse First Boston Limited
Reference Agent

BUSINESS LAW

Commodity brokers' ill-fated gamble

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The agreement was in German unfolding in the High Court in London, between J. H. Rayner (Mincing Lane) and Rayner-Harwill Ltd, subsidiaries of S. and W. Berisford, and the Bank fuer Gemeinwirtschaft.

The Bonn client deposited the Krugerrands, instructing it as follows: "The deposit should be delivered to me against a receipt, but only with the agreement of Rayner-Harwill Ltd, London. Of course this was not a deposit but merely a deposit by the client which could be blocked by Rayner-Harwill.

Nevertheless, the bank sent to Rayner-Harwill a telex which went beyond the instructions received from its client. It said: "We confirm that we are holding the 1,000 Krugerrands to the order of Rayner-Harwill Ltd,

they were making agreements fell out completely when the debt balance on MN's account reached the BGBZ, according to which one cannot reclaim the payment of an unenforceable debt once it has been made.

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MANAGEMENT: Marketing

EDITED BY CHRISTOPHER LORENZ

THE BABY is now a toddler and is slowly but surely finding its feet. Since its arrival in November 1982, Channel Four, once described by its chief executive Jeremy Isaacs as "a baby with 10 fingers and 10 toes who sleeps at night," has made steady progress. In terms of stature, programming, audience share, hours of viewing and ratings, the signs are positive.

So now the dust has settled, how is Four looking as an advertising medium? How is it being used, who uses it and to what effect?

The inevitable early complications have been eased. The interminable dispute with the union Equity over payment of actors' repeat fees continues to keep many advertisers strictly on ITV1, though more and more are finding ways round the problem—either by paying a one-off buyout fee to the actor, by not using Equity members or by simply paying the repeat fees. There are now hopes, in the light of the recent elections within Equity, for an early settlement.

There was, too, the basic marketing problem of selling a novel television concept, a specialist station, with dip-in dip-out viewership.

"One of the first things we had to do was establish our brand, and its 'us' (unique selling proposition). Unfortunately no one understood our usp when we started on air. We were saying to about 53m people, 'Here is a TV channel, watch it in a different way,' says Sue Stoessl, Four's marketing manager.

But if they failed at first, success followed. The "dive form and content" stimulated by the Independent Broadcasting Authority charter is now delivering the desired audience profile: younger, more affluent, if predominantly male, and many of them new to ITV. Acting as a complementary channel (never a smaller version of big brother ITV1) Four has always aimed to fill the gap in the market, offering audiences more specialised programming and advertisers a finely-tuned, sensitive environment for their messages.

This, Stoessl believes, is now happening. "As a complementary medium, the idea always was to be strong when others were weak which means spring and summer. Interestingly we started to grow last summer when most media declined. Then we coasted through autumn and we are now showing a steady 5 going on 6 and 7 per cent audience share."

So the figures are looking good. A 6 per cent share means that, of every 100 viewing hours,

Channel Four Advertising

Figures look good

BY FEONA McEWAN



Claire's launch of its Glint semi-permanent hair colourant is one of the few new products to have been introduced on the channel since its first three months ago.

Within the overall hair colourant market, Claire identified semi-permanents as its target, focusing on the 18- to 25-year-old woman. It aimed to secure an additional 20 per cent of the sector,

which was 5 per cent of the total market.

Four was chosen through agency Gars Cross, which had been bullish from the start about the channel's prospects for new media. Its first product, both "a shade more daring" was the Glint's slogan.

The Cockney voiceover representing the street sound of today, and the positioning in cult programmes like

Tube, SOAP and Brideshead Revisited were aimed to score direct hits with the target group.

After three months on the market, Glint claimed to have captured 8 per cent of the total colourant market and expanded the semi-permanent sector by 30 per cent. The same campaign is now running in the Irish Republic, Scandinavia and Australia.

six are spent on Four. In terms of patronage, some 50 per cent of the total viewing audience tuned in to Four at some point every week and this rises to 80 per cent over a month.

Four's audience share, on top of ITV1's 46 per cent current share, is reckoned to enlarge the commercial television sector, thus offering advertisers marginal extra coverage. Many observers feel that, once the Equity dispute is settled, more advertisers will be siphoning off its target, focusing on the 18- to 25-year-old woman. It aimed to secure an additional 20 per cent of the sector,

affected by its Equity boycott and the Association of Media Independent's decision to judge each case on its commercial merits. Independent account corporates, for example, now account for some 12 per cent of total ad revenue, but contribute more than 20 per cent of Four's year.

"We find Four very successful," says Mike Yershon of Yershon Media. "In cost per thousand terms, for most target audience viewing groups, Four nationwide this spring was 20 to 30 per cent cheaper than ITV1. However, the average number of people reached by each spot on Four was considerably smaller than ITV1 and the capital cost per spot reflects

A common misbelief among first-time advertisers on television is that potency of ads is measured in terms of numbers of spots; when, in effect, it's a complex equation concerning frequency, ratings, and coverage.

People are using Four in two ways, says another independent. The first is as a cost regulator, extending the campaign presence of ITV1. "Since pro rata to audience levels it is cheaper, you are getting more audience exposure for your buck."

The most effective use of Four, he says, is to isolate certain subgroups, a more economic approach than going for the unselected masses of ITV1—the rife versus the shotgun effect.

So far the top five categories of advertiser using the channel, according to MEAL are local advertisers with a spend of

£125m.

Business in business is another thriving area. "In my opinion," says Tony Darrell-Brown of LWT, "it is growing in leaps and bounds. Look at the number of ads using phone numbers, either their own or our own Freefone or Teledata."

The sorrow, so far, has been

more on the publishing side.

Last year, drug companies

spent around £30m on advertising in medical journals, including some 35 free circulation magazines. This year the advertising figure is running about 40 per cent down on last year's levels and already three titles have ceased publication.

The next marketing tool to be used and have been

medical meetings, entertaining and give-aways.

Joe Eagle, marketing director of Ciba-Giegy in the UK, says the group

has saved £800,000 on cutting out "special project representatives" who spent their time

meeting doctors to discuss a variety of medical topics.

"Personally, I was looking for a good reason to get rid of it," says Eagle. The company did

a study to determine why the

doctors came to the medical

UK drugs marketing

Living with the cuts

Carla Rapoport on the effects of a Government ruling

OVER THE past six months, every marketing truth once held to be sacred in the pharmaceutical industry has been taken apart and examined by their absence, though this is expected to change after the dispute.

The spectrum of products now featuring on the small screen is very wide. Tony Logie, director of sales and marketing at Thames, reports a recent sample as varied as Oral B toothpaste, Comshare computers, Ford Orion cars, Simoniz TR3 wax polish, Smiths square crisps, Sun Sensor sunglasses. "And demand is increasing so prices are rising. Some advertisers are finding it very difficult to book July and August."

Nigel Hays, group marketing manager of cosmetics group, Max Factor, until moving to Coty three months ago, admits to being sold on the channel from the start. "We introduced a fragrance called Eprise on the first day of the channel. At one stage people were ringing us up to say they were fed up with seeing the ad. But sales went through the roof. "Some months later, using a mix of ITV1 and Four, he launched Le Jardin, now quoted by Syndicated Data Consultants as the most successful launch in the fragrance industry in the last three to five years. "We showed a 3.1 per cent share instantly."

The computer industry, hardware, software and peripherals, has taken to television in a big way in the last nine months, particularly to Four. Ian Webster, managing director of Eli Lilly in the UK, Few registered any sorrow over the reduced spending on journals. "There was a lot of wastage; the Government knew this," says an executive of one of the larger companies.

The first thing to go out of

the window for nearly every pharmaceutical company operating in Britain has been a significant chunk of its journal advertising spend. ICI, for example, has pulled its advertisements out of 10 medical journals, while Ciba-Giegy's UK subsidiary has cut advertising expenditure by 50 per cent so far this year. Smaller companies have stopped advertising altogether, in many cases.

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UK COMPANY NEWS

Automated Security tops £2m so far and lifts interim dividend

IN AN "excellent" start to the year Automated Security (Holdings) has reported a 45 per cent increase in taxable profit on record turnover.

The group, before tax for the six months to May 31 1984 rose from £1.51m to £2.18m on sales up by £1.91m to £13.23m. At the last year end the figures were £4.4m and £24.21m respectively.

The directors of this security services group believe that it is in the company's interests to reinvest a major portion of the profit to generate future growth, but they also consider that a strong dividend policy should be maintained. Accordingly, they have declared an interim dividend of 4.85p, up from 4.4p. The total last time was £1.03p. Earnings were 3.7p (3.08p) undiluted and 3.56 (3.08p) fully diluted.

Trading profit was up 55 per cent to £2.48m, before interest charges which increased from £9.000 to £10.200. The tax charge of £18.000 (£19.000) for the period represents ACT payable on dividends and the group share of its associates' tax. The group wrote off goodwill amounting to £250,000.

After ordinary dividend payments (£55,000 more at £260,000) the company was able to retain profits of £1.45m against £1.21m. Commenting in detail on the results, the directors state that the main concern of our policy of investing heavily in long-term rental assets, producing an increasing rental stream. Rental income contributed £5.9m in the six months.

• comment

ASH's high stock market rating has been less secure than its burglar alarms in the past year. The shares have fallen from an adjusted peak of 240p to a low of 131p. Yesterday's announcement bumped up the price by 17p to 185p for two reasons, first because the offer price, coming in the United Kingdom through the offer for sale of just over 2m shares, equal to 30 per cent of the equity.

Mr David Cavalier, chairman and founder of the company, is keeping the emphasis on the company so that all the shares on offer are new shares which will raise just over £1m at the offer price of 58p per share.

The money raised will be used to increase the number of outlets for the video leasing scheme and the size and range of videos available.

EPS set up a video mail order library in 1983 and subsequently developed the leasing scheme whereby outlets such as petrol garages, newsagents and off-

2m new EPS shares to raise £1m on USM

ENTERTAINMENT PRODUCTION SERVICES, which leases pre-recorded video tapes and markets blank magnetic recording tapes for audio, video and home computer use, has come to the Unlisted Securities Market through its instrumentation division.

Both deals were carried out by B. and P. subsidiary KDG Instruments. The first was the acquisition of the business, goodwill and other assets of the flow instrumentation division of F. G. Bell Controls International of the U.S.A. for £1.62m cash plus a further £400,000 for additional property.

ALONG WITH the improvement in profits for the opening six months, the Bath & Portland Group reveal that it had spent some £2.74m on two businesses that have been acquired since its instrumentation division.

The second deal was carried out by B. and P. subsidiary KDG Instruments. The first was the acquisition of the business, goodwill and other assets of the flow instrumentation division of F. G. Bell Controls International of the U.S.A. for £1.62m cash plus a further £400,000 for additional property.

The other purchase comprised the whole of the capital of Maxi Seal, based in Bristol, for which KDG paid £17,000.

KDG pre-tax profits for the first six months to April 30 1984 rose strongly from a depressed £163,000 to £2.64m and prospects for the remainder of the year "remain encouraging."

The interim dividend is being stepped up from 2.5p to 2.75p per share—a final of 3.5p paid for the 1983-83 year from subsidiary profits of £2.07m (£3.85m).

Profits attributable to the group's continuing activities expanded from £18.5m to £22.2m (a rise of 18.4 per cent) for the period under review, but there were deductions of £1.5m (£1.71m) attributable to discontinued and cessation losses.

Turnover declined from £9.02m to £9.95m—the group has interests in minerals, construction, agriculture, instrumentation and engineering.

The minerals division benefited from both a firming of selling prices and a reduction in costs arising from the increased level of capital expenditure.

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BIDS AND DEALS

Kode paying £3m plus to expand activity base

BY TERRY GARRETT

Kode International is making its first acquisition since Mr Peter Smith moved in as managing director to replace departing company founder Mr Terry Darlow nearly two years ago.

The acquisition, which extends Kode's international computer manufacturing and sales, is of the private owned Comart, and could cost up to £3.5m.

Although the deal involves a substantial amount of new shares coming on to the market the share price rose 8p to 305p in response to the news.

Kode is buying 81.49 per cent of Comart from Mr David Broad for 52.5m, plus an issue of 911,400 new ordinary shares, 646,000 of which have been turned into cash for Mr Broad by a vendor placing. He will remain with the company as a consultant.

The move immediately increases Kode's equity by 50 per cent. It is the company's intention to buy out the minority largely held by Comart's management, again financed through a share issue. This consideration will be related to future profits, but will not exceed 267,000 new shares.

Though often hinted at by the company, an acquisition process is in the previous management. The present team, however, is actively looking for

further takeovers and is currently talking to other parties.

Europe, in particular West Germany, is a likely target area and Mr Smith, who previously had a senior post in Europe for Bendix, would like to make moves into the U.S.

Initially that approach is likely to be the acquisition of a low technology equipment manufacturer to establish an American base.

With £2m of cash in the balance sheet future acquisitions will probably contain a cash element within the consideration.

The Comart acquisition gives Kode a manufacturing facility for business computers. In the year to June 1983 computers manufactured by Comart accounted for more than half of group sales.

This production ability has become increasingly important for Kode because of the difficulties of importing equipment from the U.S.

That aside, Mr Smith claims that the deal contains a high degree of "synergy" with Comart's products and customer base complementing those of Kode.

The directors of Comart have estimated that profits for the year just ended to June 30 were not less than £37,500 pre-tax.

John Finlan despatches terms for Lincroft

By Alexander Nicoll

John Finlan, the building and development company chaired by Mr Graham Ferguson Lacey, yesterday despatched its offer document for Lincroft Knightsbridge, asking the shareholders of the menswear group to get a better deal than through Lincroft's offer to buy its own shares.

Finlan's bid—25 of its shares for 41 Lincroft shares—is currently a rights issue, as Finlan plans to sell divisions of Lincroft and use the funds to develop its own business.

Lincroft does not support the bid, but its largest shareholder, Drayton Consolidated Trust, has agreed to sell its 23.79 per cent stake to Finlan.

Mr Lacey said that in February, Lincroft requested shareholders' permission to buy 5 per cent of its shares for not more than 80p.

He added that Finlan had been allowed to do so, probably as Lincroft had paid 2½ times more dividends per share...

Mr Lacey's Bermuda-based Amadeus group has a 20 per cent stake in Finlan, which will increase to 27.15 per cent following completion of the agreement with Drayton.

Finlan is being advised by Arab Banking Corporation and Lincroft by Kleinwort Benson.

SAI to join Paguag for flexible oil pipe venture

SCOTTISH Agricultural Industries has agreed with Paguag, a West German producer of flexible piping, to form a new company to produce and market a range of high pressure flexible pipes for the offshore oil industry.

SAI's subsidiary, Scotoil, will contribute 25% to the new company, called Paguag, over the next three years. SAI itself is a 62.4 per cent owned subsidiary of ICI and primarily a manufacturer of fertilisers, composts, animal feeds, and processes of farm seeds and peat.

Mr Quinton Brown, managing director of SAI, said yesterday: "There's no doubt that flexible

pipe for the oil industry is a growth market, and our aim is to provide a very high specification and high quality pipe to meet this need, and to achieve a reasonable share of the market."

Scotoil will hold a 40 per cent interest in the company, with Paguag controlling the remaining 60 per cent. Scotoil will concentrate on marketing and servicing while Paguag will deal with research, development, and production, Mr Brown said.

SAI first entered the oil-related business in 1982 to utilise surplus capacity created by the closing of a fertiliser works in Aberdeen.

UTD. News buys 49 shops

United Newspapers, publishers of Punch and a range of daily and weekly newspapers, has bought 49 confectionery, tobacco and newsagent shops of Mills (North British), from Thomson Regional Newspapers, and Newcastle and Hull areas.

The outlets will complement United Newspapers' 50 shops operated under the United News Shops banner in South and West Yorkshire.

BIDS AND DEALS IN BRIEF

Edward Group has agreed to acquire subject to shareholders' consent and re-registration of Freeland Nursing Homes for £735,000 in cash.

Principal assets of Freeland are Freeland House in Oxfordshire and Headford House in Oxfordshire, and have been independently valued at £350,000 and £160,000 respectively.

Sater has increased its holding in French Industries to 4,775,000 ordinary shares, representing 42.54 per cent.

Fidelity—Caparo Industries has increased its holding further to 150,000 ordinary shares, bringing its holding to 1.83m (13.56 per cent).

Jackson Bourne End-Terrel SA has beneficially acquired 93,250 shares (8.78 per cent).

Inchcape Overseas, a wholly owned sub of Inchcape, has ceased to receive notifications of the ordinary shares of Oceania Wilson Holdings. Discretionary clients of Ras Bros (which owns a negligible number of shares), together with its discretionary clients now own 7,777,050 shares (29.28 per cent) through its subsidiary, Inchape in Owen Wilson above. Scottish cities investment trust 2,074,180 ordinary (7.84 per cent) and Scottish and Mercantile Investment 5,827,150 ordinary (21.26 per cent), which includes the holdings of Fashion and General

Investment and the Scottish Cities Investment.

The offer by East Midland Allied Press for up to 29.99 per cent of Lancashire Standard Group has closed.

Acceptances have been received in respect of 4,560 LSG ordinary (0.88 per cent), 2,028 were for the share alternative and 2,532 for the cash alternative. EMAP held no shares in LSG prior to the offer.

The increased offer is now fully unconditional.

Jessel Tornbee and Gillett shareholders who elected for the Mercantile House loan note alternative in respect of 50 per cent or less of their acceptance will receive the full amount of loan notes for which they have elected.

Shareholders who elected for the loan note alternative in respect of more than 50 per cent of their acceptance will receive loan notes for 50 per cent of their acceptance, and loan notes for 23,924.41 per cent on the balance of their election in respect of 50 per cent of the companies in which such investments are held.

Greenfriar Investment Company 3,902,472 shares; Henderson Admin Group 7,914,052 shares and Lowland Investment Company 2,338,748 shares.

British Benzol Carbureasing has reached agreement in principle to acquire the capital of Energy and Commodity Trading. The City and Foreign Investment reports that as at June 30 shares

ERIC hits out at the Cambridge defence

By Alexander Nicoll

Energy Recovery Investment Corporation (ERIC), the Luxembourg-registered company which is bidding for Cambridge Petroleum Royalties, yesterday produced a strongly-worded rejoinder to Cambridge's defence and urged shareholders to accept its offer.

On that basis Kode is buying the group on an earnings multiple of less than 10. And judging by the tone of Kode's statement the directors are obviously looking for a fairly rapid pay-back on the acquisition, although the targets set for Comart's management have not been disclosed.

Turkote, to its own trading, Kode states that the current price is in line with market prices and the directors expect a "significant improvement in the results for the full year." They are forecasting a 10p dividend, a rise of 13.6 per cent.

After the difficulties of the previous year, when Kam Circuits producing printed circuit boards ran into serious quality problems resulting in a full year profit decline from £1.37m to £1.2m, the City has been reporting a significant upturn in 1984 even though the Kam problem continued into the early weeks of this year.

Outside estimates were indicating over £1.5m pre-tax before the Comart acquisition which will make a second half contribution probably in excess of £200,000. Assuming a 40 per cent charge Kode's own prospective p/e is under 12.

The DeGolyer estimate gave Cambridge's shares an asset value of £62p, compared with the 449p that ERIC says is the value of its share offer—one ERIC for two Cambridge—and with its cash offer of 76p. The cash offer closes on 29th June.

ERIC said Cambridge had "rushed into a deal in Montana which may be uncommercial." Mr Jenner denied that it had rushed into the transaction, which covered 260,000 acres of petroleum leases, and said that the leases had been placed on areas where seismic structures had already been identified.

Cambridge's assertion that it plans to seek a full London Stock Exchange listing was, ERIC said, "totally misleading." It also disputed Cambridge's view that ERIC's Luxembourg-quoted shares were not marketable.

ERIC said a daily market in its shares was made in Luxembourg and that it was listed on the General Trust in London. The largest recorded deal was for 10,000 shares at £1.15 in February and the most recent was 3,000 at £1.30 in May.

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UK COMPANY NEWS



FREE STATE DEVELOPMENT AND INVESTMENT CORPORATION LIMITED
(Incorporated in the Republic of South Africa)

PRELIMINARY UNAUDITED RESULTS AND NOTICE OF FINAL DIVIDEND

	Year ended 30.6.1984	Year ended 30.6.1983
	R'000	R'000
Net normal income	2,232	1,908
Add:		
Profit on realisation of investments	56	55
Provision for possible losses on realisation of investments (1983: reversal of provision)	(8)	55
Profit before tax	2,230	1,963
Less: tax	115	51
Profit after tax	2,215	1,912
Number of shares in issue (000's)	3,630	3,630
Dividends per share—cents	—interim	17.5
	—final	37.5
Cost of dividends, R'000	1,997	1,815
Net asset value per share—cents	1.130	1.022

NOTES:

- The net asset value has been calculated after deducting the final dividend.
 - Audited financial statements will be posted to shareholders on or about 1st August, 1984.
- For and on behalf of the Board
B. J. JACKSON, Directors
M. D. HENSON

FINAL DIVIDEND NO. 24

A final dividend of 37.5 cents per share has been declared for the year ended 30th June, 1984.
 Last date for registration 27 July, 1984
 Registers close (dates inclusive) from 28 July, 1984 to 3 August, 1984
 Currency conversion date (for payments from London) 6 August, 1984
 Date of payment 17 August, 1984

By order of the Board
JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY LIMITED
 Secretary
 Head Office and Registered Office:
 Consolidated Building,
 Corner Fox and Harrison Streets,
 Johannesburg 2000.
 4 July 1984

BASE LENDING RATES

	Heritable & Gen Trust	9.1%	
Allied Irish Bank	9.1%	Hill Samuel	9.1%
Annto Bank	9.1%	C. Hoare & Co.	9.1%
Henry Ansbacher	9.1%	Hongkong & Shanghai	9.1%
Armclo Trust Limited	9.1%	Kingsnorth Trust Ltd	9.1%
Associates Cap. Corp.	9.1%	Knowsley & Co. Ltd.	9.1%
Banco de Bilbao	9.1%	Lloyds Bank	9.1%
Bank Hapoalim EM	9.1%	Mallinhal Limited	9.1%
BCCI	9.1%	Edward Mansou & Co.	9.1%
Bank of Ireland	9.1%	Morgan, Lewis & Sons Ltd.	9.1%
Bank of Cyprus	9.1%	Mitford Bank	9.1%
Bank of India	9.1%	Morgan Grenfell	9.1%
Bank of Scotland	9.1%	National Bk. of Kuwait	9.1%
Banque Belge Ltd.	9.1%	National Girobank	9.1%
Barclays Bank	9.1%	National Westminster	9.1%
Beneficial Trust Ltd.	9.1%	Norwich Gen. Tst.	9.1%
Bremar Holdings Ltd.	9.1%	Powers' Tst. & Sv. Ltd.	9.1%
Brit. Bank of Mid. East	9.1%	R. Raphael & Sons	9.1%
British Shipley	9.1%	P. S. Refson & Co.	9.1%
CL Bank Nederland	9.1%	Rozburgue Guarantee	9.1%
Canada Permit Trust	9.1%	Royal Trust Co. Canada	9.1%
Cash Credit Trust Ltd.	9.1%	S. Heavy Industries Wag.	9.1%
Cayzer Ltd.	9.1%	Standard Chartered	9.1%
Cedar Holdings	9.1%	Trade Dev. Bank	9.1%
Charterhouse Japhet	9.1%	TCB	9.1%
Choulartons	9.1%	Trusted Savings Bank	9.1%
Citibank NA	9.1%	United Bank of Kuwait	9.1%
Citibank Savings	9.1%	United Mirrah Bank	9.1%
Clydesdale Bank	9.1%	Volkssaks Limited	9.1%
C. E. Coates & Co. Ltd.	9.1%	Westpac Banking Corp.	9.1%
Commer. Bk. & Bk.	9.1%	Whiteaway Lairdaw	9.1%
Consolidated Credit	9.1%	Williams Glyn's	9.1%
Co-operative Bank	9.1%	Winton Secur. Ltd.	9.1%
The Cyprus Popular Bk.	9.1%	Yorkshire Bank	9.1%
Dunbar & Co. Ltd.	9.1%	Member of the Acapline Houses Committee	9.1%
E. T. Trust	9.1%	7-day deposits 5.75% 1-month 8.25% £10,000. 12 months 9.2%.	
Exeter Trust Ltd.	10.4%	7-day deposits on sums of under £10,000 6% £10,000 up to £50,000 7% £50,000 up to £100,000 7.5% £100,000 up to £150,000 7.75% £150,000 up to £250,000 7.8% £250,000 up to £500,000 7.9% £500,000 up to £1,000,000 7.95% £1,000,000 up to £2,000,000 8% £2,000,000 up to £5,000,000 8.1% £5,000,000 up to £10,000,000 8.2% £10,000,000 up to £20,000,000 8.3% £20,000,000 up to £50,000,000 8.4% £50,000,000 up to £100,000,000 8.5% £100,000,000 up to £200,000,000 8.6% £200,000,000 up to £500,000,000 8.7% £500,000,000 up to £1,000,000,000 8.8% £1,000,000,000 up to £2,000,000,000 8.9% £2,000,000,000 up to £5,000,000,000 8.95% £5,000,000,000 up to £10,000,000,000 9% £10,000,000,000 up to £20,000,000,000 9.1% £20,000,000,000 up to £50,000,000,000 9.15% £50,000,000,000 up to £100,000,000,000 9.2% £100,000,000,000 up to £200,000,000,000 9.25% £200,000,000,000 up to £500,000,000,000 9.3% £500,000,000,000 up to £1,000,000,000,000 9.35% £1,000,000,000,000 up to £2,000,000,000,000 9.4% £2,000,000,000,000 up to £5,000,000,000,000 9.45% £5,000,000,000,000 up to £10,000,000,000,000 9.5% £10,000,000,000,000 up to £20,000,000,000,000 9.55% £20,000,000,000,000 up to £50,000,000,000,000 9.6% £50,000,000,000,000 up to £100,000,000,000,000 9.65% £100,000,000,000,000 up to £200,000,000,000,000 9.7% £200,000,000,000,000 up to £500,000,000,000,000 9.75% £500,000,000,000,000 up to £1,000,000,000,000,000 9.8% £1,000,000,000,000,000 up to £2,000,000,000,000,000 9.85% £2,000,000,000,000,000 up to £5,000,000,000,000,000 9.9% £5,000,000,000,000,000 up to £10,000,000,000,000,000 9.95% £10,000,000,000,000,000 up to £20,000,000,000,000,000 9.98% £20,000,000,000,000,000 up to £50,000,000,000,000,000 9.99% £50,000,000,000,000,000 up to £100,000,000,000,000,000 9.995% £100,000,000,000,000,000 up to £200,000,000,000,000,000 9.998% £200,000,000,000,000,000 up to £500,000,000,000,000,000 9.999% £500,000,000,000,000,000 up to £1,000,000,000,000,000,000 9.9995% £1,000,000,000,000,000,000 up to £2,000,000,000,000,000,000 9.9998% £2,000,000,000,000,000,000 up to £5,000,000,000,000,000,000 9.9999% £5,000,000,000,000,000,000 up to £10,000,000,000,000,000,000 9.99995% £10,000,000,000,000,000,000 up to £20,000,000,000,000,000,000 9.99998% £20,000,000,000,000,000,000 up to £50,000,000,000,000,000,000 9.99999% £50,000,000,000,000,000,000 up to £100,000,000,000,000,000,000 9.999995% £100,000,000,000,000,000,000 up to £200,000,000,000,000,000,000 9.999998% £200,000,000,000,000,000,000 up to £500,000,000,000,000,000,000 9.999999% £500,000,000,000,000,000,000 up to £1,000,000,000,000,000,000,000 9.9999995% £1,000,000,000,000,000,000,000 up to £2,000,000,000,000,000,000,000 9.9999998% £2,000,000,000,000,000,000,000 up to £5,000,000,000,000,000,000,000 9.9999999% £5,000,000,000,000,000,000,000 up to £10,000,000,000,000,000,000,000 9.99999995% £10,000,000,000,000,000,000,000 up to £20,000,000,000,000,000,000,000 9.99999998% £20,000,000,000,000,000,000,000 up to £50,000,000,000,000,000,000,000 9.99999999% £50,000,000,000,000,000,000,000 up to £100,000,000,000,000,000,000,000 9.999999995% £100,000,000,000,000,000,000,000 up to £200,000,000,000,000,000,000,000 9.999999998% £200,000,000,000,000,000,000,000 up to £500,000,000,000,000,000,000,000 9.999999999% £500,000,000,000,000,000,000,000 up to £1,000,000,000,000,000,000,000,000 9.9999999995% £1,000,000,000,000,000,000,000,000 up to £2,000,000,000,000,000,000,000,000 9.9999999998% £2,000,000,000,000,000,000,000,000 up to £5,000,000,000,000,000,000,000,000 9.9999999999% £5,000,000,000,000,000,000,000,000 up to £10,000,000,000,000,000,000,000,000 9.99999999995% £10,000,000,000,000,000,000,000,000 up to £20,000,000,000,000,000,000,000,000 9.99999999998% £20,000,000,000,000,000,000,000,000 up to £50,000,000,000,000,000,000,000,000 9.99999999999% £50,000,000,000,000,000,000,000,000 up to £100,000,000,000,000,000,000,000,000 9.999999999995% £100,000,000,000,000,000,000,000,000 up to £200,000,000,000,000,000,000,000,000 9.999999999998% £200,000,000,000,000,000,000,000,000 up to £500,000,000,000,000,000,000,000,000 9.999999999999% £500,000,000,000,000,000,000,000,000 up to £1,000,000,000,000,000,000,000,000,000 9.9999999999995% £1,000,000,000,000,000,000,000,000,000 up to £2,000,000,000,000,000,000,000,000,000 9.9999999999998% £2,000,000,000,000,000,000,000,000,000 up to £5,000,000,000,000,000,000,000,000,000 9.9999999999999% £5,000,000,000,000,000,000,000,000,000 up to £10,000,000,000,000,000,000,000,000,000 9.99999999999995% £10,000,000,000,000,000,000,000,000,000 up to £20,000,000,000,000,000,000,000,000,000 9.99999999999998% £20,000,000,000,000,000,000,000,000,000 up to £50,000,000,000,000,000,000,000,000,000 9.99999999999999% £50,000,000,000,000,000,000,000,000,000 up to £100,000,000,000,000,000,000,000,000,000 9.99999	

SECTION III - INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday July 5 1984

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 INTERNATIONAL CAPITAL MARKETS 42

WALL STREET

Refunding amid retail drought

BOND markets on Wall Street today face an auction of \$4bn of 20-year U.S. Treasury bonds — the last leg of a \$15.5bn mini-refunding — with some uncertainty, writes Terry Byland in New York.

Prices closed sharply higher ahead of the July 4 holiday, helped by a favourable outcome to Tuesday's sale of \$5.51bn in seven-year notes. But the market had almost closed down for the

Wall Street markets were closed yesterday for the Independence Day holiday.

holiday by the time the auction result was known, and the late gains in prices reflected little in the way of real business.

Tuesday's auction brought an average yield of 13.83 per cent on the seven-year notes. It goes almost without saying that this was the highest for two years, and reflects the continued rush by investors towards the short end of the credit markets. Fund managers prefer their new bond acquisitions to have maturities of less than four years.

The yield was about seven basis points lower than had been seen earlier

this week in the when-issued market, where the notes traded on a yield-only basis ahead of the auction. The prospective yield had already been trimmed to just above the auction rate by mid-session on Tuesday when the auction got underway.

But retail demand has remained virtually non-existent in the credit markets over the past week, and traders face difficulties in selling the notes to their customers.

The bond market has already taken severe punishment at the two previous Treasury auctions held earlier this year, which were both followed, a few weeks later, by a sudden collapse in bond prices as traders cut their losses and sold stock at fire sale prices.

The first leg of the current auction, of \$6bn in four-year Treasury notes, passed off successfully, although the average rate rose by 162 basis points from the previous sales of similar Treasury issues.

A major attraction for fund managers is the price stability of the four-year note, which returns a yield comparable with the longer-dated issues.

Today's auction of 20-year bonds will be keenly watched as an indicator of the immediate prospects for the bond market, which has been falling sharply on inflationary fears. Prices are notoriously volatile at this end of the market and the upturn late on Tuesday could prove vulnerable as traders await the auction result.

The new bonds have one market point in their favour. Traders will want to buy the bonds for "stripping" operations, in which the dividend coupon is stripped out, leaving the bond available for trad-

ing as a zero-coupon issue, a form attractive to the current market.

However, zero-coupon conversion has not proved an adequate antidote to the absence of retail interest at past auctions. Earlier in the week, the pre-auction market was showing yields of 13.82 per cent on the prospective new bonds — it was trimmed to 13.76 per cent on Tuesday. Early when-issued trading today will provide some indication of just how far Wall Street is from a 14 per cent yield at the long end of the bond market.

LONDON

Progress as sellers stay away

A FIRM improvement in leading share values in London was attributable more to stock shortages than to any early indication of an impending shift in market sentiment.

Business volume in both equities and gilts was on the low side although one or two smaller institutional buyers of equities were initially active.

Fresh attempts to find a solution to the UK miners dispute, together with a slight easing of the upward pressures on U.S. interest rates, encouraged early demand, having helped to soothe London anxieties over dearer money trends.

The FT Industrial Ordinary index added 12.8 to end at the day's best of 834.1, reflecting the shortage of stock, since not one of the constituents registered a double figure gain.

Many financials also advanced impressively amid light demand but scarce supply, led by the life assurance sector.

Longer dated government stocks closed slightly off their best for the day, but still with rises extending to 1% while some low coupon shorts were also popular, closing around 1% ahead.

Chief price changes, Page 34; Details, Page 35; Share information service, Pages 36-37.

HONG KONG

CONTINUED SPECULATION about the possibility of higher U.S. interest rates and their effect on local levels depressed shares for the third successive day in Hong Kong.

The Hang Seng index was at another low for the year, down 11.50 for the regular half-day session at 850.33 after some late covering had lifted shares from the day's lows.

Swire Properties dipped 5 cents to HK\$7 ahead of today's delisting as a result of the planned acquisition of the company's entire capital by Swire Pacific, whose own shares fell 50 cents to HK\$14.90.

Among other leaders, Cheung Kong shed 15 cents to HK\$7.25, Hongkong Land 5 cents to HK\$2.52, Jardine Matheson 10 cents to HK\$7.70 and Sun Hung Kai Properties 50 cents to HK\$14.90.

Pan Electric topped the active list with 2.7m shares traded, and it added 7 cents to \$2.11.

Consolidated Plantations benefited from an overall rise for the sector, adding 4 cents to \$2.74, while the property and retail company Cold Storage also rose 4 cents to \$3.04.

However, Singapore Land shed 6 cents to \$3.74 while in a generally steady banks sector Malayan Banking dipped 5 cents to \$8.35.

AUSTRALIA

BARGAIN-HUNTING in a recently oversold market, together with some covering support, underpinned a modest advance in Singapore.

The Straits Times index climbed 6.02 to 901.0 on turnover which had risen to 12.9m shares from the previous day's 10m.

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The All Ordinaries index added 7.2 to 663.4.

BHP led the gains, adding 16 cents to \$A9.48, but CSR dipped a further 2 cents to \$A3.18 as the market reacted to its diversification plans.

The improved metals prices helped MIM up 13 cents to \$A2.68, Western Mining 10 cents to \$A3.12 and CRA 7 cents to \$A4.62.

SOUTH AFRICA

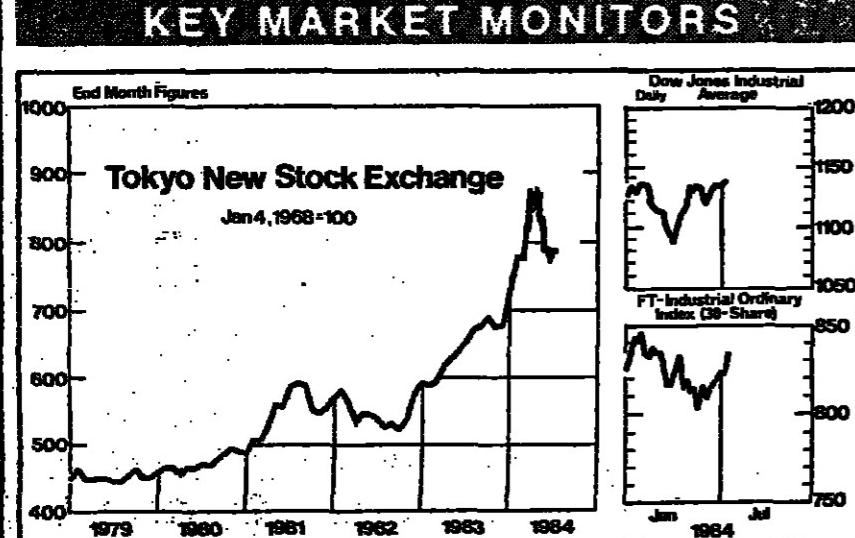
GOLD shares ended mixed after a dull Johannesburg session with investors wary of taking new positions while the bullion price remains directionless.

Randfontein Estates gained R1 to R1.96 but Southwaa eased 50 cents to R80 and Vaal Reefs dipped R2 to R160. Mining financials were little changed while De Beers added 5 cents to R9.10.

CANADA

SHARES continued their moderately lower trend in Toronto with losses by oils, golds and management issues outweighing good gains among property and media stocks.

Montreal was also lower with moderate losses registered by banks, industrials, mining and utilities.



STOCK MARKET INDICES		CURRENCIES	
NEW YORK	July 4	Previous	Year ago
DJ Industrials	closed	1,134.28	1,225.26
DJ Transport	closed	479.42	586.51
DJ Utilities	closed	124.37	128.92
S&P Composite	closed	153.70	168.84
LONDON			
FT Ind Ord	834.1	821.3	666.6
FT-SE 100	1,063.3	1,050.2	967.5
FT-A All-share	497.94	491.87	446.44
FT-A 500	540.87	538.58	484.05
FT Gold mines	599.9	606.3	617.2
FT-A Long gilt	10.99	11.03	10.42
TOKYO			
Nikkei-Dow	10,375.84	10,349.25	9,871.58
Tokyo SE	789.39	789.12	659.75
AUSTRALIA			
All Ord.	663.4	656.2	608.1
Metals & Mins.	426.7	419.0	535.3
AUSTRIA			
Credit Austria	53.98	53.91	55.35
BELGIUM			
Belgan SE	142.16	141.43	128.69
CANADA			
Toronto Metals & Mins	1,833.9*	1,835.5	
Composite	2,215.4*	2,220.8	2,459.9
Montreal Portfolio	107.79*	108.27	123.48
DENMARK			
Copenhagen SE	181.76	181.53	155.81
FRANCE			
CAC Gen	171.4	170.4	125.4
Ind. Tendance	110.0	109.5	77.9
WEST GERMANY			
FAZ-Aktionen	340.96	342.08	325.25
Commerzbank	983.0	987.9	965.7
HONG KONG			
Hang Seng	850.53	861.83	1,035.97
ITALY			
Banca Com.	208.39	207.25	168.84
NETHERLANDS			
ANP-CBS Gen	158.5	157.2	136.1
ANP-CBS Ind	127.2	126.7	110.3
NORWAY			
Oslo SE	238.49	230.2	187.32
SINGAPORE			
Straits Times	901.0	894.98	978.98
SWITZERLAND			
Swiss Bank Ind	362.5	361.1	333.6
WORLD			
July 3	Prev	Yearago	
Gold	126.88	125.81	116.41
Sweden	1,489.88	1,502.43	1,375.88
SWITZERLAND			
Swiss Bank Ind	362.5	361.1	333.6
WORLD			
July 3	Prev	Yearago	
Gold (per ounce)	101.01	101.14	101.00
COMMODITIES			
(London)	July 4	Prev	
Silver (spot fixing)	609.55p	612.00p	
Copper (cash)	£1000.50	£1001.50	
Coffee (July)	£2207.50	£2185.00	
Oil (spot Arabian light)	£27.90	£27.97	

*Latest available figure

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EUROPE

WORLD STOCK MARKETS

Indices

NEW YORK-DOW JONES									
	July 4	July 3	July 2	June 29	June 28	June 27	1984	Price Compilat	
Industrials	Closed	1134.26	1139.08	1122.40	1125.55	1116.72	1286.54	1085.95 1057.79 111.32	115.4 129.6
Transport	Closed	473.42	472.22	474.18	472.84	468.28	512.62	457.82 612.53 12.32	115.2 115.1 115.1 115.1
Utilities	Closed	124.37	124.47	124.28	123.93	134.83	122.25	183.72 195.1	115.1 115.1 115.1 115.1
Trading vol	Closed	76.36	69.23	55.77	77.66	72.84	-	-	-
Ind Div Yield %				June 22	June 15	June 8	Year Ago	Yagport	
							5.01	5.21	4.53
									4.43

N.Y.S.E ALL COMMON

1984									
	July 4	July 3	July 2	June 29	June 28	June 27	1984	Price Compilat	
High	Low	High	Low	High	Low	High	High	Low	
Closed	88.82	88.33	88.38	97.71	88.17	115.91	115.91	88.22	82.02
									426

STANDARD AND POORS

	July 4	July 3	July 2	June 29	June 28	June 27	1984	Price Compilat	
Industrials	Closed	175.19	174.74	174.73	174.27	172.72	189.64	169.25	3.82
Composite	Closed	153.70	151.28	151.18	151.64	169.23	143.03	172.16	4.45
									115.0 115.0
				June 27	June 20	June 13	Year Ago (Aged)		
Ind div yield %				4.27	4.19	4.27	3.89		
Ind. P/E Ratio				10.75	10.56	10.77	14.51		
Long Gov Bond Yield				13.58	13.51	13.34	11.82		

* Indicates pre-close figure
** Saturday June 30: Japan Nikkei-Dow 1053.43, 755.795 67
Base 100 = all Industrials 100 selected Japanese Organizations, Manila
500, NYSE All Common—50 Standard & Poor's—10, and Toronto Composite
and Metals—1,000. Toronto indices based 1975
Industrial (1958) 105.27 Closed 156.13 127.83 106.71 105.34 (14.5)

	July 4	July 3	July 2	June 29	June 28	June 27	1984	Price Compilat	
Metals & Mints Composite	Closed	1835.5	1822.6	1822.8	1822.8	1822.8	1822.8	1822.8	1822.8
BONITEX Portfolio	Closed	105.27	Closed	156.13	127.83	106.71	105.34	105.34 (14.5)	

New Issue June 20, 1984

This advertisement appears as a matter of record only.

CITICORP OVERSEAS FINANCE CORPORATION N.V. Aruba, Netherlands Antilles

DM 150,000,000 8% Deutsche Mark Bonds of 1984/1992

under the irrevocable and unconditional guarantee of

CITICORP New York, N.Y., U.S.A.

Offering Price: 100%
Interest: 8% p. a., payable annually on June 21
Repayment: June 21, 1992 at par
Listing: Frankfurt Stock Exchange

Deutsche Bank Aktiengesellschaft

Banque Bruxelles Lambert S.A.

Berliner Handels- und Frankfurter Bank

Swiss Bank Corporation International Limited

Abu Dhabi Investment Company

Amro International Limited

Julius Baer International Limited

Banco di Roma per la Svizzera

Bank Gutzwiller, Kurz, Bungener (Overseas) Limited

Bankers Trust International Limited

Banque Internationale à Luxembourg S.A.

Banque Populaire Suisse S.A. Luxembourg

Bayerische Vereinsbank Aktiengesellschaft

Blyth Eastman Fainre Webber International Limited

Compagnie de Banque et d'Investissements, CBI

Credit Industriel et Commercial

Daiwa Europe Limited

Den norske Creditbank

Dimonion Securities Pitfield Limited

Enskilda Securities

Finnishia Enskilda Limited

Fiji International Finance Limited

Goldman Sachs International Corp.

Hessische Landesbank — Girozentrale —

Instituto Bancario San Paolo di Torino

Kreditbank N.V.

Kuwait International Investment Co. s.a.k.

Lehman Brothers Kuhn Loeb International, Inc.

Manufacturers Hanover Limited

Merrill Lynch International & Co.

Mitsui Financial International Limited

Morgan Guaranty Ltd.

Nippon Credit International (H.K) Ltd.

Oesterreichische Landerbank

PK Christiana Bank (UK) Limited

Sanwa Bank (Underwriters) Limited

Societe Generale de Banque S.A.

Trinkaus & Burkhardt

S.G. Warburg & Co. Ltd.

Wood Gundl Limited

Commerzbank Aktiengesellschaft

Banque Nationale de Paris

Credit Suisse First Boston Limited

Dresdner Bank Aktiengesellschaft

Westdeutsche Landesbank Girozentrale

Citcorp International Bank Limited

Bayerische Landesbank Girozentrale

Al-Mal International Limited

Arab Banking Corporation- Daus & Co. GmbH

Baden-Württembergische Bank Aktiengesellschaft

Banca Commerciale Italiana

Banque du Grottard

Bank für Gemeinwirtschaft Aktiengesellschaft

Bank of Tokyo International Limited

Banque Indosuez

Banque Paribas

Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft

Creditanstalt-Bankverein

Deutsche Girozentrale

Deutsche Genossenschaftsbank

Effectenbank-Warburg

Aktiengesellschaft

European Banking Company Limited

Girozentrale und Bank Aktiengesellschaft

Hannoversche Sparkasse

Hannoversche Landesbank — Girozentrale —

Industriebank von Japan (Deutschland) Aktiengesellschaft

Kleinwort Benson, Berndt

Kreditbank S.A. Luxembourgeoise

Kreditanstalt-Bankverein & Investment Co. (S.A.K.)

Landsbank Rheinland-Pfalz — Girozentrale —

LTCB International Limited

Merck, Finck & Co.

Mitsubishi Finance International Limited

<h

INDUSTRIALS—Continued

High	Low	Stock	Price	+/-	No.	Net	Cw	Ytd
38	37	Machinex 20p	1.6	-0.1	2,210	108	1.0	1.0
125	124	MacIntosh (D)	2.25	-0.1	150	107	0.7	12.7
47	46	Macmillan Hldgs 10p	2.3	-0.2	147	143	1.0	1.0
270	267	Madam Ship Can. 1%	2.1	-0.1	150	145	1.0	1.0
73	72	Madden 73p	2.5	-0.5	112	105	1.0	1.0
49	48	Maddison Ind. 10p	2.5	-0.2	145	145	1.0	1.0
270	267	Madison Hldgs 10p	2.5	-0.2	145	145	1.0	1.0
157	156	Madras Ship Can. 1%	2.1	-0.1	145	145	1.0	1.0
73	72	Maden Ship Can. 1%	2.1	-0.1	145	145	1.0	1.0
46	45	Magill Lng. 10p	2.5	-0.2	147	145	1.0	1.0
37	37	Magnets' Unite	1.75	-0.1	150	145	1.0	1.0
30	29	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
268	267	Magnesia 75p	2.5	-0.2	145	145	1.0	1.0
278	276	Magnesia Can. 1%	2.4	-0.1	145	145	1.0	1.0
27	27	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
19	18	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
8	7	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
103	102	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
44	43	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
29	28	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
168	167	Magnesia Crucible	2.5	-0.2	145	145	1.0	1.0
18	17	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
134	133	Magnesia Ind. 10p	2.4	-0.1	145	145	1.0	1.0
320	319	Magnesia Wl Commercs	2.5	-0.2	145	145	1.0	1.0
55	54	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
70	69	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
93	92	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
116	115	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
21	20	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
175	174	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
56	55	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
100	99	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
44	43	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
190	189	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
120	119	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
74	73	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
24	23	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
59	58	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
222	221	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
123	122	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
9	8	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
245	244	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
246	245	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
247	246	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
248	247	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
249	248	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
250	249	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
251	250	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
252	251	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
253	252	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
254	253	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
255	254	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
256	255	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
257	256	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
258	257	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
259	258	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
260	259	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
261	260	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
262	261	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
263	262	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
264	263	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
265	264	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
266	265	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
267	266	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
268	267	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
269	268	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
270	269	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
271	270	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
272	271	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
273	272	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
274	273	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
275	274	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
276	275	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
277	276	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
278	277	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
279	278	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
280	279	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
281	280	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
282	281	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
283	282	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
284	283	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
285	284	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
286	285	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
287	286	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
288	287	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
289	288	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
290	289	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
291	290	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
292	291	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
293	292	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0
294	293	Magnesia Ind. 10p	2.5	-0.2	145	145	1.0	1.0

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
13 St Paul's Churchyard, EC2R 4DX. 01-336 1833
High Yield Fund ... 111.0 117.9 +0.5 10.21
Growth & Income ... 111.0 117.9 +0.5 10.21
High Yield Equity ... 100.0 94.82 +0.5 10.21
Income Fund ... 127.8 127.8 +0.5 10.21
Capital Growth ... 127.8 127.8 +0.5 10.21
General ... 127.8 127.8 +0.5 10.21
Leveraged Fund ... 127.8 127.8 +0.5 10.21
U.S. Emerging Cts ... 127.8 127.8 +0.5 10.21
U.S. Equity Fund ... 127.8 127.8 +0.5 10.21
Equity Fund ... 127.8 127.8 +0.5 10.21

Allied Unit Trusts Limited (a)(x)
30 City Road, EC1Y 2BY. 01-479 6426
American Fund ... 110.2 105.2 -0.5 10.21
Int'l Fund ... 110.2 105.2 -0.5 10.21
Pacific Fund ... 129.9 129.9 +0.5 10.21
Special Fund ... 129.9 129.9 +0.5 10.21
Income Fund ... 129.9 129.9 +0.5 10.21
American Fund ... 129.9 129.9 +0.5 10.21
Small Fund ... 129.9 129.9 +0.5 10.21
Tech. Fund ... 129.9 129.9 +0.5 10.21

Allied Unit Trusts Mngrs. (a)
Brockenhurst Management Co. Ltd. (a) (c)
100 Newgate St., London EC1P 3JL. 01-479 6426
First Fund ... 111.8 111.8 +0.5 10.21
Growth & Income ... 111.8 111.8 +0.5 10.21
Global Fund ... 111.8 111.8 +0.5 10.21
Income Fund ... 111.8 111.8 +0.5 10.21
Equity Income Fund ... 111.8 111.8 +0.5 10.21
International Fund ... 111.8 111.8 +0.5 10.21
Corporate Bond Fund ... 111.8 111.8 +0.5 10.21
High Yield Fund ... 111.8 111.8 +0.5 10.21
Equity Fund ... 111.8 111.8 +0.5 10.21

Allied Harboro House Fund, Brewster, Essex
(0277) 211459 & 229123

Baird Trusts

Financial Times Thursday July 5 1984

INSURANCE, OVERSEAS & MONEY FUNDS

Liberity Life Assurance Co Ltd
Staples Rd, New Barnet, Herts, EN5 8JL Tel: 01-440 8210

Fund Managers Trust-Premier & Co.
Sett A - 113.9 100.0
Sett B - 113.9 100.0
Fund Yield - 113.9 100.0
Capital Gains - 113.7 100.0
Managed - 113.7 100.0
Pensions - 113.7 100.0
Unit Trusts - 113.7 100.0
Other - 113.7 100.0
Life Assur Co of Pennsylvania
N. W. Rd, Cheltenham, Glos, GL5 1QH Tel: 01-523 1344

Lloyds Life Assurance Co Ltd
100 London Wall, EC2A 2BB Tel: 01-920 0002

Maths Geith Fund - 127.670 126.000
Maths Geith Fund - 127.670 126.000

DBS Equity Fund - 127.7 110.0

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar and pound weaker

The dollar eased in quiet foreign exchange trading, influenced by the closure of U.S. markets for Independence Day. Underlying sentiment remained very strong, as far as the dollar was concerned, but the success of the U.S. Treasury's auction of seven-year notes on Tuesday led to greater confidence in credit markets and brought the dollar down from its recent very high levels. The fall also resulted from the decline in the Federal funds rate in New York on Tuesday.

These factors - coupled with views that central banks would attempt to limit the dollar's drop in the absence of the New York market prevented any attempt to push the dollar higher in Europe. The Bank of Japan had been seen to intervene in earlier Tokyo trading, but sales of dollars by the Bundesbank were probably confined to the fixing, with the Japanese authorities content to let the dollar weaken without any extra effort from them.

The dollar fell to DM 2.8170 from DM 2.8210 against the D-mark FF 8.64 from FF 8.6550 against the French franc; and SWF 1.45 from SWF 1.4570 in terms of the Swiss franc, but has improved slightly to Y229.75 from Y228.55 against the Japanese yen.

The Bank of England figures

showed the dollar's trade-weighted index rose to 135.1 from 135.0.

STERLING - Trading range against the dollar in 1984 is £1.605 to £1.630. Trade-weighted index unchanged throughout at 72.5, compared with 82.0 six months ago.

Sterling fell to another record low of \$1.33555-1.3365 against the dollar, a fall of 15 points on the day, and also touched an all-time low of \$1.33335.

The pound continued to suffer from the reluctance of the authorities to sanction a rise in London interest rates and fell to DM 3.7625 from DM 3.77; FF 11.5850 from FF 11.5650; SWF 3.1625; and Y219.75 from Y220.25.

D-MARK - Trading range against the dollar in 1984 is £1.2265-1.2285 from DM 1.1945 from DM 1.1924. Within the EMS the Dutch guilder was slightly easier at DM 88.67 per £1.00 from

2.7383. Trade weighted index 124.6 against 123.7 six months ago.

The dollar was fixed at DM 2.8107 against the D-mark at yesterday's fixing in Frankfurt, slightly up from Tuesday's figure of DM 2.8071. The Bundesbank set \$16.6m at the fixing but did not appear to be intervening in the open market. Trading volume was on the low side with U.S. centres closed. Consequently there was little strong incentive to push the dollar much further on fears of aggressive intervention by European central banks.

Elsewhere sterling eased to DM 2.7620 from DM 2.7650 while the Swiss franc improved to DM 1.1945 from DM 1.1924. Within the EMS the Dutch guilder was slightly firmer at DM 88.67 from DM 88.50, compared with FF 18.6360.

The dollar was fixed at FF 8.6715 from FF 8.6550 and sterling improved to FF 8.6250 from FF 8.6125; and Y229.75 from Y228.55.

Swiss Franc - Trading range against the dollar in 1984 is £1.2265-1.2285 from DM 1.1945 from DM 1.1924. Within the EMS the Dutch guilder was slightly easier at DM 88.67 per £1.00 from

DM 88.69 and the Belgian franc was unchanged at DM 4.817 per FF 100.

BELGIAN FRANC - Trading range against the dollar in 1984 is \$7.92 to \$8.24. June average 85.80. Trade weighted index 85.8 against 89.0 six months ago.

The Belgian franc was steady in quiet trading in Brussels yesterday. Figures released yesterday showed that the Belgian central bank had not intervened in the week up to July 2, indicating the franc's satisfactory performance.

Although the weakest member of the EMS, the franc was able to keep within its divergence limits from the current weakness of the D-mark against the dollar.

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The dollar was fixed at FF

